NATIONAL MINING NUMBER—Pages 17-31

THE FINANCIAL POST

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Be Sure to Read

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The Nation's Business

Sacrifice is Vital Now If We Are to Win

The war has reached the gravest crisis for Britain and her allies since the fall of France.

We are not winning the war. We are face to face with the possible danger of losing it. Ultimate victory hangs by a mere thread. Time is not necessarily on our side, because we COULD lose the war before we could use the advantage of Time. The United Nations must marshal their strength speedily to hold their present bridgeheads to final victory.

But while we are not winning the war and while we COULD lose it, the essential thing is that we have not lost it yet and, if we will work for Victory, we CAN win it.

For Canadians the price of victory will be sacrifices undreamed of in any previous crisis. We shall have to accept unprecedented restraints upon our freedom and upon our traditional way of life.

* * * *

Winston Churchill's realistic picture of the war situation fell short in one important respect. He did not come out flat-footedly and tell the people, of this continent particularly, what will be required for victory. Mr. Ilsley, in two or three vital minutes on the radio Monday night, gave us a brief picture of what is required. But Ottawa has not yet presented a full plan for intelligent sacrifice to win.

Nothing is to be gained, let it be clearly stated, in asking people to make sacrifices just for the thrill of it. Unguided they would probably give up the wrong things and actually hinder rather than aid the war effort. The Canadian people look to their government to lead and guide them, to tell them what they must give up and where their services are needed.

The government only can decide what industries are vital and what can be spared. It alone can take steps to divert labor, materials and industrial facilities from the non-essential to the war-important. Long ago such steps were taken in Germany, in Russia and Great Britain. Before Canada can go all out for war further such steps must be taken here. Mr. King's government has made a good, if ruthless, start in automotive, rubber and some other industries. We have made substantial headway in reorienting our agriculture. But we still have far to go before our economy is geared all out to war.

* * * *

Ottawa need not fear that the people will fail to respond to any call made upon them. There has been no complaint over the sacrifices so far demanded. There will be none over those which must be asked now. All that is required is a frank, realistic appraisal of the true situation confronting us, plus national leadership and guidance. The people of Canada will face whatever hardship or toil is necessary, just as the people of Britain did and the people of Australia are now doing.

This is a time for some plain speaking. It is not simply a case of steeling ourselves to facing unpleasant news, but of facing the significance of unpleasant news. We need more of the kind of speeches H. R. MacMillan delivered in Montreal this week. Speaking before the Canadian Club in that city, the forceful head of Wartime Merchant Shipping Ltd. scraped some of the fat of comforting thought off the skeleton of harsh truth. He called for us to turn the whole of North America into an arsenal; to turn out "an avalanche" of tanks, planes, guns, shells, explosives, food, motor vehicles and other supplies.

There was some equally plain speaking by the British High Commissioner, Rt. Hon. Malcolm MacDonald. He urged Canadians to accept the simple truth that her best defense against aggressive assault by any enemy is to send her troops "to engage the enemy at a distance, wherever he may be found."

The clear portent of the dark clouds on the horizon of war is that Canada faces, and cannot avoid:

1. A further deep slash in our civilian way of life; a complete re-allotment of materials, machines and factory capacity to put emphasis upon production of the weapons of war.

2. A marshalling of all our human resources; with each man and woman in Canada being allotted the task wherein he can best contribute to Victory, be it in the fighting services at home or abroad, or in a civilian job at home where his skill and energies will equally help to throw back the dark invaders.

3. A much more aggressive policy in taking the offensive with our Canadian fighting forces. Ottawa must make it clear, and doubly clear, that it does not accept the weakling theory that the best place to defend Canada is on Canadian soil. If foreign troops set their guns on our shores it will be too late for us to defend ourselves.

The steps outlined — necessary to Victory — can be achieved only by leadership and guidance from the central government. They could, incidentally, be best achieved by a government of an entirely non-partisan character.

* * * *

FORGET PROVINCIAL ELECTIONS

This year a general election is due in Ontario and perhaps a dozen by-elections in the other provinces. Normally these contests would serve a useful purpose. In wartime they may do just the opposite. A lot of energy, time and money will be used that might better be diverted to the war effort.

Of even more importance is the danger of distracting public interest, at a time when the public must concentrate on one effort only—the war.

In the recent federal by-elections we have just witnessed an example of that sort of risk. In some sections of the country the war seemed to be completely forgotten by the general public and the politicians. Bitter feelings were fanned at a time when the democratic world faced its greatest peril.

We can well afford to postpone provincial elections until after the war.

* * * *

LET EACH NATION CRITICIZE ITSELF

Premier Hepburn's aspersions on the United States fleet have received in leading Canadian newspapers the condemnation they deserved.

The Ontario premier at a public meeting last week played into Hitler's hand, when he declared that "the proud American Fleet is in hiding."

Canada has become accustomed to the unusual and unorthodox observations of Mr. Hepburn, but in this case there was the danger that our neighbors might not understand. Fortunately the New York Times appraised this latest outburst properly, when it stated, with thinly veiled sarcasm: "Mr. Hepburn has given us a fortunately early warning of one of the risks we must avoid."

What is that risk? It is that if the United Nations begin to indulge in the luxury of recriminations against each other they'll end up by being enemies.

The Times advice is sound:

> "Twenty-six United Nations are engaged at this time in the supreme effort of their lives—the task of defending themselves against forces which would destroy their very existence as free and independent states. Each one of these nations will need, and will want, to hold its own war leaders to strict accountability; but each, if it is wise, will not attempt to pronounce judgment on the contribution made by its associates so long as they are loyal to the cause."

False Front By Ontario Alleged

Ottawa Claims Acceptance of Tax Deal Intimated—May Appeal to Supreme Court

By STAFF WRITER

OTTAWA.—Unexpected here was the latest Ontario rebellion on the Dominion-provincial tax agreement.

Earlier expectations of continued delay by Premier Hepburn in acceptance had been quelled when the understanding became general that Ontario had accepted (in principal) the same proposal as the other Canadian provinces and that the long and confusing period of doubt was on the point of being ended.

Late last week an Ontario delegation is understood to have come to Ottawa for the avowed purpose of straightening out "a few minor details."

When conference with the Ontario delegation commenced it was found the details were hardly minor and the conference is understood to have blown up completely, to be followed early this week by Hepburn's complete kicking over the traces.

Off-the-record Ottawa views the Hepburn hold-out as based on no sounder grounds than the Premier's reluctance to surrender provincial rights. All other provinces are stated to have either signed or to be in full agreement. British Columbia is stated to have signed without changing a word, other provinces made only one change, substituting "qualified accountant" for "chartered accountant" in one of the clauses.

Public showdown is expected shortly with the tabling of Ottawa-Ontario correspondence on the negotiations. Meantime, the constitutional angle, raised by Ontario, is reported due for a testing.

Ottawa sources find difficulty in recognizing the validity of Hepburn's contention that he cannot prepare his budget until he gets further clarification of what Ottawa intends to do. In recent weeks both British Columbia and Alberta have presented their budgets and no similar complaints have been heard from the other provinces.

Under the terms of the tax deal Ontario would get $28.9 millions annually and a guarantee of its gasoline tax revenue in return for surrendering to the Dominion its income from corporation and personal income taxes.

Anticipated is that Ontario will drop personal income taxation, come what may. (Income tax forms now being distributed have no space for computing Ontario tax.) That belief is strengthened by Premier Hepburn's statement that the province is not concerned with this type of taxation. Retention of the 5% corporation income tax, however, would subject companies in Ontario to an extra heavy impost.

C. P. R. Pays Notes Before Maturity

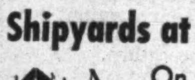
From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway has announced it will payoff on March 2 the balance of its outstanding 6%, 10-year convertible collateral trust notes. The notes ordinarily would mature on March 15, but the date of payment has been advanced in order that holders may convert the proceeds into the new Victory Bonds. Full six months' interest, ordinarily due March 15, will be paid March 2.

At the end of 1940 the C.P.R. had outstanding $11,347,500 of the notes, compared with the original issue of $12.5 millions. With their repayment some $15.4 millions of consolidated debenture stock will be released; each $100 of notes being secured by $136 of debenture stock.

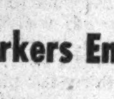
MacMillan Gives Report On Canada's Shipbuilding

Cargo Vessels



	CONTRACTS LET	PROGRESS
10,000 tonners	161.	Two completed, Seven outfitting, 36 Building.
4,700 tonners	18	

Shipyards at Work



On the Pacific—7 with 22 berths.
On the St. Lawrence—5 with 23 berths.
In the Maritimes—2 with 6 berths.

Workers Engaged

NOW	SIX MONTHS HENCE *(When programme reaches present planned maximum)*
21,000 in shipyards.	39,000 in shipyards.
20,000 in shops.	25,000 in shops.

For Troop Movement

One ordinary soldier requires 10 tons of shipping
One mechanized soldier requires 100 tons of shipping.

Within another six months, construction on the current shipbuilding programme will reach its peak, H. R. MacMillan, president of Wartime Merchant Shipping Ltd. (Crown company) told the Canadian Club at Montreal this week. Shown here are the facts which he presented. Greater speed would be possible, he said, were it not for the shortage of ship plates of which WMS is currently using 15 to 20 thousand tons monthly. Canada's programme, he said, is 10 times as great as Australia's and approximates volume of new production in British shipyards. Turning North America into an arsenal of supply to provide an "avalanche of tanks, planes, guns, shells, explosives, food, motor vehicles and providing soldiers and airmen is useless unless they can be moved," he said.

Jap Problem on Coast Seen Still Unsolved

From Our Own Correspondent

VANCOUVER.—Problem of disposing of Japanese transplanted from the west coast is back on British Columbia's doorstep, recent developments indicate. The Pacific province, it is felt, may have to find a solution without co-operation from other sections of Canada.

Ontario's Premier Hepburn has refused to permit transfer of Japanese to that province, blocking the negotiations previously under way for shifting several hundred Japanese loggers to the lumber camps of northern Ontario.

Workers are badly needed in Ontario to meet the current threat of a timber shortage. Arrangements were completed with the lumber companies to move more than a thousand Japanese into northern Ontario where they could be employed. Approval of three Ontario cabinet ministers is said to have been given to use a short stretch of provincial road near Schreiber which was needed in providing accommodation for the aliens. Then Mr. Hepburn entered the picture and called the whole deal off.

Some Moving Now

First transfer of Japs for work on a link in the Jasper highway is taking place this week. Others will be moved as work can be found or as they can be enlisted in civilian corps units.

In other words, it is felt that while the British Columbia government had no part in admitting the Japanese to this country—that being a matter for federal jurisdiction through the immigration laws—British Columbia will be obliged to work out its difficulties by itself, just as it had been compelled to deal with other aspects of the Oriental problem in the past two or three decades.

Barred from Airports

An Order-in-Council issued recently at Ottawa barred Japanese nationals from Vancouver airport areas, but it is claimed that the order does not disturb most of the 200 Japanese reported living along the dyke that protects the Vancouver airport from the sea.

It is pointed out that the landing field could be seriously damaged and rendered useless for a long time by saboteurs breaching the dykes that hold back the waters at the mouth of the Fraser River.

The Royal Canadian Mounted Police issued orders Feb. 14 instructing all Japanese and other enemy aliens to leave the coastal defense area of British Columbia by April 1. Labor department officials and representatives of the public works (highways) branch are supervising the withdrawal, and B. C. officials have left for Ottawa to plan details of the unprecedented evacuation programme.

Business Year Book for 1942 Vital to Wartime Executive

Never before has the need for sound planning, accurate estimating been so important for Canadian business men and those who do business with them. In a world at war, accurate figures and accurate use of them may spell the difference between success and business failure.

Eighteenth annual edition, the 1942 Financial Post Business Year Book provides the essential Canadian business statistics which have been its unique service since 1924, plus many new and significant facts about Canada.

Some of the new:

The record of taxation on 148 Canadian corporations, how much they made, how much of it they paid to the government as a result of Canada's wartime taxation system.

Municipal statistics for the entire Dominion. First time such figures have been available, The Financial Post Business Year Book is able to show what the municipal taxpayer is getting for his money.

Some of the regular features:

Canada's national income — by provinces and production by industries. A first source of marketing data, the income picture is supplemented by individual compilations of the relevant market statistics of separate provinces, areas and key cities.

The facts and figures on such diverse features of Canadian business as telephones in use, canal traffic, aviation, population—the Year Book is an arsenal of the figures most business men need constantly, seldom can locate in the voluminous source material condensed annually by The Post.

Never before has The Financial Post Business Year Book filled so important a need. Figures help Canada fight—The Year Book provides them.

Insurance Men Study Future Of Group

By STAFF WRITER

OTTAWA.—Two important factors affected deliberations of the Canadian Underwriters Associations at the Seigniory Club this week.

Realization that a rate war would bear heavily on Canadian companies, a very large part of whose business is in the Association territory of Ontario and Quebec.

Warning of Attorney-General of Ontario that failure of the fire companies generally to regulate their business satisfactorily might lead to further government control.

Main question before meeting is a resolution that rates and rules of the Association be suspended; in other words, that the tariff structure be pulled down; that tariff companies cease co-operative rate and rule making.

Resignation of the Insurance Co. of North America from the Dominion Board of Underwriters, carrying with it resignation from the Canadian Underwriters Association still stands. But the company remained a member in full standing until Feb. 18 when the resignation became effective.

H. C. Mills, manager for Canada of the North American group describes his resignation as a protest against certain regulations of the association, but he softens the statement with:

"We don't want to destroy anything nor do we want to cause any unsettlement in the business or hardship to anybody."

Implications of a rate war in the territory of Ontario and Quebec, which is regarded as the unavoidable result of a "yes" vote on the association's resolution are seen as very serious. The smaller companies and agency firms are likely to be hurt most by low rate competition of stronger concerns with large reserves. Among the agents those who will suffer most are the agents who live from day to day on their commissions.

Warning by Conant

Mr. Conant's warning was made at the annual meeting of the Maple Leaf Farmers' Mutual Fire Insurance Co. at Columbus, Ont. He said:

"The time is at hand when the insurance companies must impose

(Continued on page 2, col. 3)

U. S. Adopts Canadian's Scheme

America Starts Big Magnesium Refining Scheme Using Process Developed Here

By KENNETH R. WILSON

OTTAWA.—Announcement is expected from Washington late this week concerning one of the most important metal deals ever negotiated across the International boundary.

The U. S. government will shortly conclude at Washington, negotiations leading to the manufacture in that country of upward of 100 million pounds of metal magnesium. The process to be used is one developed here in Canada by Dr. Lloyd M. Pidgeon, of the National Research Council.

Hon. C. D. Howe recently announced work would start immediately on Canada's first metallic magnesium plant. This plant also uses the Pidgeon process and is being erected near Renfrew, Ont. It will be operated by Dominion Magnesium Ltd., formed by three Toronto mining companies (Bobjo, Moneta and Ventures, Ltd.). It was this group which aided in the commercial development of the Pidgeon process.

Increase Swiftly

Shortly after the Canadian announcement was made, important U. S. interests visited the pilot plant of the Canadian organization located in the National Research headquarters at Ottawa. Astounded at the revolutionary method developed by this young Canadian chemist, they returned to the United States and urged immediate use of the Pidgeon patents in that country. Actual deals have been negotiated direct with the U. S. government which in turn licenses individual companies to

(Continued on page 2, col. 2)

Alaska Highway May Be Started

By STAFF WRITER

OTTAWA.—A change of opinion by U. S. army chiefs of staffs is behind current discussion that the Alaska highway be undertaken. The route is the island route, east of the Rockies. It is assumed that the U. S. will bear most if not the entire cost.

Since Pearl Harbor the U. S. chiefs of staff have apparently changed their minds. Next decision rests with the Joint Defense Board.

View expressed here is that Canada would not stand in way of such a highway proposal. Canada did not want to spend the necessary $25 to $30 millions on such a project alone. The proposed road would not connect with the existing B. C. highway system.

No Ottawa Doubt On Gold Mining

Officials Affirm That Wartime Production Will Continue But Fear Output May be Cut by Material Shortages

By STAFF WRITER

OTTAWA.—There is no indication whatever in top official circles here that any step to cut down Canadian gold production is contemplated. In fact, it is reliably reported that early this week one gold mining company with headquarters in Toronto, was given definite assurance that continued production of as much gold as possible is desired.

Rumors of a forced cut in gold production were credited with a severe decline in the Toronto mining market this week, but they find no substantiation in Ottawa.

What is now envisaged is that the experience of the last war may be repeated. By 1918 there had been a 25% cut in gold production from the peak reached two years previously.

Reason was the inability of the mines to get sufficient labor or materials to maintain the earlier level of production.

With a growing scarcity of supplies—rubber hose, grinding balls, steel, explosives, etc.—and with good workers increasingly hard to obtain, the gold mines may come under some pressure. It is regarded as pretty certain that they may not be able to maintain in 1942 the production peak of 1941 ($205 millions). Once existing inventories of essential supplies and materials are exhausted production may drop with considerable rapidity.

There is no indication that the government will lift its finger to stem this flow. On the other hand there is at present no disposition to act in summary fashion to forbid purchase and production of the precious metal.

U. S. Plays Part

Washington plays a part in the Canadian gold situation, it is admitted, and authorities there have to approve priority ratings on certain supplies, some of which are not readily available in Canada.

As most manufacturers will "take a chance" on a priority rating for a base metal producer sooner than on a gold mine, the result is that deliveries for gold mines have been slightly slower than for base metal mines.

Mines have a low priority on steel for expansion. Steel for ordinary running operations and repairs, however, continues to enjoy the same favorable priority rating.

Gold mines, even before the war realized that the supply situation might become difficult and emergency supplies were laid in at most mines. One mine operator recently stated mines aren't being caught this war by a shortage of supplies like they were in the last war.

Millers Here Caught In Vitamin Dissension

From Our Own Correspondent

MONTREAL.—What's good enough for Britain, apparently isn't good enough for Canada.

In April the Canada-approved Vitamin B flour and bread will go on the Canadian market. The new products are the result of special milling which increases vitamin content.

Canadians were to be served with vitamin enriched flour and bread on Feb. 1, but following representations of the millers, the order was postponed until April 1.

Prohibit Thiamin Use

In releasing the new order the government says "the use of synthetic vitamins in the manufacture of flour or bread for sale for consumption in Canada is expressly declared to be an adulteration of food within the meaning of Section 4 of the Food and Drugs Act."

In other words, Canadians will not be permitted to consume flour or bread containing synthetic vitamin B_1, or thiamin.

U. K. Uses Thiamin

Yet for months past the Canadian milling industry has been manufacturing and shipping to Britain, for the British Government account, tens of thousands of barrels of synthetized flour, i.e., ordinary flour with added thiamin.

Now, the Canadian Government says that such flour or bread made from synthetized flour is adulterated. No move has been made to prohibit production of the synthetized type of flour for British account.

"This 'Canada Approved' bread is dynamite and must be handled carefully if it is to achieve its purpose to the satisfaction of the baking industry, millers, consumers and the government."

So representatives of the Ontario Bakers' Association were told at a Toronto conference this week.

In the background are scientists and nutrition experts whose professional opinions vary sharply, but who in this case have government decrees to support the diversified views.

Affects Other Lines

The ruling that adding synthetic vitamins is an adulteration of food hits some bakers which already have on the market a bread containing synthetic vitamins. Under this order they must cease to make such bread after April 1, but they can continue to make it until next

(Continued on page 2, col. 2)

Getting a Bicycle This Spring?

Industry Pushing to Meet Demand

Bottlenecks in transportation, restrictions on gasoline and automobile tires have brought the humble bicycle new importance in the wartime way of living.

To come close to meeting the demand, Canadian manufacturers hope to get enough material to build around 125,000 bicycles this year. They built about 107,000 in 1941, 86,500 in 1940 and 70,567 in 1939.

Biggest factor in the upswing in bicycle making has been the trek of labor to war plants. Many of these plants are located outside urban areas and away from main transportation facilities. Quickest and cheapest transportation for the worker is very often to pedal his own way. Restrictions on the use of automobiles are expected to accelerate the trend.

1 Car, 100 Bikes

One automobile may carry two people to work on the average. The metal in that car could be used to make over 100 bicycles to carry 100 workers to their jobs.

These bicycles are being turned out strictly for utility, not for pleasure. Canadian manufacturers have agreed to eliminate all non-essential equipment on their models. No heavy, elaborate double-bar models are now being made. All are the single-bar variety. Balloon tires are out; all are now a standard 1⅜ in. size. Extra cross-bars have been eliminated along with every other frill or doo-dad. Today's bicycle is stripped for economy of materials.

Need for the bicycle under current transportation conditions has been recognized by the government to the extent that no restrictions have been placed on rubber tires going on new equipment. Biggest difficulty in the industry is getting enough metal to fill its needs.

Seek Priorities

A group of Canadian manufacturers have presented a brief to Ottawa asking that they be given some priority rating on their metal requirements. In the United States the industry has been put on an allotment basis and this year will be allowed to turn out 750,000 bicycles. A similar system is expected for Canada with a figure of 125,000 hoped for, although makers figure the demand will exceed that mark.

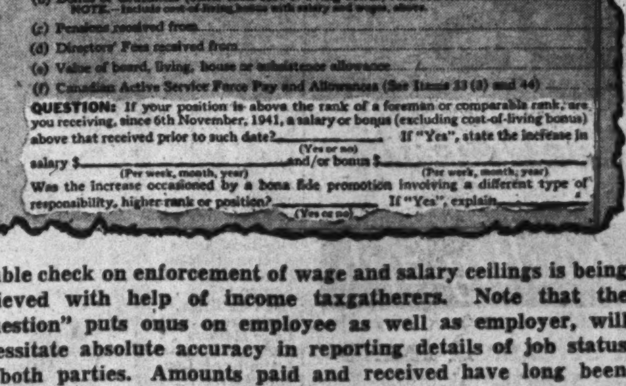
Replacement Problem

On Canadian roads there are an estimated 600,000 to 700,000 bicycles—in the U. S. between 11 and 12 millions. This number presents a substantial replacement problem to makers already hard up for repairs. While no restrictions have been put on new rubber tire needs Canadian bicycle makers now have to get along on 50% of their 1941 tire requirements for replacements.

Experience in Great Britain has demonstrated the place of the bicycle industry as an integral part of the war effort. British industry in pre-war days turned out around 3½ million bicycles a year. War at first brought a decline in output but production is now recovering to its previous levels as the industry's essential place in transportation has been proved.

In Canada cycling has shown a steady increase since 1932 when only a little over 16,000 bicycles were produced.

Income Tax Plays Policeman



Pages 2 and 3 TOTAL INCOME FOR CALENDAR YEAR 1941

NOTE—Any income arising from sources within the United States must be designated "U.S."

19. SALARIES OR WAGES received from .... (Name of Employer) $
(Include Cost-of-Living Bonus)
(a) Less Superannuation Deduction (if any) .... $
(b) Bonus or Gratuities (other than cost-of-living bonus) received from ....
NOTE.—Include cost-of-living bonus with salary and wages, above.
(c) Pensions received from ....
(d) Directors' Fees received from ....
(e) Value of board, living, house or subsistence allowance ....
(f) Canadian Active Service Force Pay and Allowances (See Items 33 (3) and 44) ....

QUESTION: If your position is above the rank of a foreman or comparable rank, are you receiving, since 6th November, 1941, a salary or bonus (excluding cost-of-living bonus) above that received prior to such date? ________ (Yes or no) If "Yes", state the increase in salary $________ (Per week, month, year) and/or bonus $________ (Per week, month, year)
Was the increase occasioned by a bona fide promotion involving a different type of responsibility, higher rank or position? ________ (Yes or no) If "Yes", explain ________

Double check on enforcement of wage and salary ceilings is being achieved with help of income taxgatherers. Note that the "Question" puts onus on employee as well as employer, will necessitate absolute accuracy in reporting details of job status by both parties. Amounts paid and received have long been double-checked by parallel returns. The double-check on the position of the employee is new.

For the Particular Man

Huntingdon

SHIRTS OF QUALITY

Fine quality English cotton broadcloth materials, expertly tailored to provide comfort and good fit! Plain whites and a variety of attractive stripes to suit almost every discriminating taste! Collar attached, separate hard or tab collar styles. Tabs 14 to 16½; other styles 14 to 17½. Each

4.00

Free Parking While Shopping

THE MEN'S SHOP at EATON'S - COLLEGE STREET

The War And Business

Postwar Cars

War has stopped the biggest single industrial output of this continent, automobiles, but designers are still planning. Already some ideas of the postwar car have been revealed, but of course, are subject to change if the war lasts longer than expected.

The new cars, we are told, will be very much lighter and more luxurious than anything put on the road so far. Instead of steel and iron in bodies, chassis and engine, there will be a lavish use of aluminum and aluminum alloys, Output of the light metal, it is pointed out, has been vastly stimulated by war demand and peace will find the United States and Canada with many times pre-war capacity.

Engines on the new cars will be small affairs, tucked away under the back seat. The room thus saved will be used for chairlike seats, lounges, and card tables inside. Polaroid glass will run all round unobstructed by wide roof supports. Tires will be larger and softer and built of the new harder-wearing synthetic rubber.

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The War

Most observers in the United States and Britain continue to be extremely pessimistic and maintain that the worst news is yet to come. They see continuous and almost unchecked expansion of Japan in the Far East, a German push through the Mediterranean, perhaps even a line-up with the Japs in the Indian Ocean, a fairly successful German land offensive against Russia, and a naval and air offensive against Great Britain.

A permanent turn, these observers declare, cannot come before the end of the present year, may not materialize until 1943. By that time the new and dominant strength of the United States will begin to be felt.

• • •

Wartime Employment

Few of the astronomical figures of Canada's war effort convey so concrete and understandable an impression of the dynamic growth of our war production as the employment figures recently released by the Windsor Chamber of Commerce.

In that centre of automotive production, the number employed at the beginning of this year was 22% higher than at the beginning of 1941. In January a further gain of 4.4% in the total is reported, a rate of gain which, if maintained through the year, would double the percentage increase of last year. Employment in the type of industries represented has lost its seasonal character, a new worker usually stays at his job the year round with no seasonal layoff. In many cases the annual output per employee is thus around double what it was in peacetime.

• • •

U. S. War Cost

It is now estimated that the war will cost the United States at least $165 billions. This staggering amount, it is believed, will take that country through to victory, perhaps some time next year, but will not allow anything for major rehabilitation to make readjustments after the war. The total is almost exactly 150 times the war expenditure of Canada from August, 1914 until the Armistice in November, 1918, the actual fighting period of the first Great War.

Not all of the money earmarked in the United States will be spent this year although authorities expect that the great bulk of it will be allocated in full.

In addition to such normal purchases of planes, battleships, tanks, guns, etc., in the U. S. total for war will be over $30 billions for Lease-Lend, $10 billions for food, housing and clothing for the Army, $300 millions for relief of displaced motor workers, $100 millions for civilian defense, and $60 millions for river and harbor projects requested by the Army and Navy.

• • •

Can Japs Use Gains?

"It is one thing for Japan to gain possession of certain raw materials and another to put them into practical use," states a Washington authority. The Japs, for instance, now dominate the great tin mines of the eastern world and have more of this metal in raw material form than they need, but it is understood that they lack smelting capacity.

There are two main tin smelters in the Malayan peninsula, one at Penang and the other at Singapore. The Japs have captured Penang, of course, but it is understood that the smelter there was destroyed. It will require skill and materials to build a new smelter and it is doubtful whether the Japs possess that skill and it is even more doubtful when they have and are able to produce the materials to build one. There is also the time element. The same applies probably in a lesser degree to rubber and to any of the oil fields they have captured.

CHIEF ACCOUNTANT

Required for the City of Toronto

Applications will be received by the undersigned up to 12.00 o'clock, noon, Wednesday, February 25th, 1942, for the position of CHIEF ACCOUNTANT of the City of Toronto, whose duties generally are to supervise the centralized accounting system and the personnel in connection therewith. An outline of the duties in greater detail may be obtained upon application to the undersigned in advance of the submission of an application for the position.

J. W. SOMERS, City Clerk.
February 14th, 1942,
Toronto, Ontario.

Comptroller

Available upon reasonable notice. Presently employed in this capacity with large manufacturer.

Familiar with all phases of accounting, cost accounting, preparation of financial statements, cash and operating budgets, banking and office management. Capable of accepting responsibility.

Box 234, The Financial Post, Toronto.

Magnesium Plan Crosses Border

(Continued from page 1)

use the Pidgeon process in the U. S. It is expected that as many as six separate firms will be given licenses. At least two will erect plants capable of turning out 30 tons of metallic magnesium per day. Others will erect 10 ton mills. They will be located in various parts of the U. S. as far west as California. In some cases it is probable that existing plans for manufacture of magnesium will be abandoned in favor of the Pidgeon process. Cost of the plants is estimated in the neighborhood of $25 millions.

Vitamin Flour Worries Bakers

(Continued from page 1)

April even though the government says such food is adulterated.

If the government is consistent, it must apply the prohibition on synthetic vitamins to other foodstuffs.

This means that many manufacturers who have been catering to the demand for vitamins may find themselves charged with offering the consumer an "adulterated" product.

O'Brien Gold Mines has declared dividend of 3 cents a share payable Mar. 23, 1942, to shareholders of Feb. 28. Ex-dividend date is Feb. 26. Last previous distribution was 5 cents a share July 31, 1941.

Insurance Men Study Future Of Group

(Continued from page 1)

effective self-regulation with the realization that it is their duty to provide sound insurance for the public at reasonable cost. If they fail to do so, the government may have to step in to control and regulate fire insurance rates and commissions in the interest of the public and the solvency of our Canadian companies. From some aspects that may be undesirable. It is for the insurance companies themselves to avoid such action by necessary and voluntary regulation."

The Canadian Underwriters Association itself, while subjected to considerable criticism in some things, is generally regarded as performing indispensable functions in the insurance field. One of the most important of these is the gathering of experience data on which to base rates. In the insurance investigation of 1916 in Ontario Mr. Justice Masten stated that the operations of the Canadian Underwriters Association were "to the advantage and in the interests of the public and that such a combination tends strongly to maintain the solvency of the companies, to stabilize rates and to eliminate discrimination and assist in controlling the expenses of carrying on the business."

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Company Reports

Lower St. Lawrence

Higher earnings and improved financial position are reported by Lower St. Lawrence Power Co. for 1941. Net profits are $4.02 a share on the preferred stock for 1941 against $2.66 for 1940. No dividends were paid last year on this non-cumulative stock.

Funded debt has been reduced by $16,500 to $1,384,700 of 5% first mortgage bonds, due 1955.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Power sales	360,817	337,450
Add: Misc. revenue	40,702	29,098
Total income	401,519	366,548
Less: Operating exp.	167,931	154,589
Taxes	16,429	15,433
Misc. interest	849	1,149
Net oper. profit	216,309	195,377
Less: Depreciation	86,000	86,000
Bond interest	69,887	70,576
Income taxes	28,244	17,500
Net profit	32,179	21,301
Less: Dividends	......	8,000
Surplus for year	32,179	13,301
Add: Previous surplus	120,894	107,285
Disc. on bonds red.	......	308
Less: Prem. bds. red.	30	......
Surplus forward	153,043	120,894
Earned per Share	$4.02	$2.66
Paid	nil	1.00
Shares O/s.:		
Preferred, $100 par	8,000	8,000
Common, n.p.v.	2,000	2,000
Working Capital	$	$
Current assets	131,462	122,500
Current liabilities	71,191	87,722
Working capital	60,271	34,778

Cosmos Imperial

Substantially increased production was achieved in 1941 by Cosmos Imperial Mills Ltd., according to W. S. Burrill, president, in spite of higher personnel turnover and difficulties inherent in training new employees. Demand for industrial cotton fabrics, increased by war needs, could not be met fully. Mr. Burrill says that "the utmost effort of the Canadian textile industry, capable of weaving heavy cotton cloth, will be required to provide more adequately for the national need."

Net profits last year were equivalent to $2.30 a share on the common against $1.94 a share on the same basis for 1940.

Only minor machinery and equipment additions were made last year although some new machinery is scheduled for delivery prior to next June as replacements. Pension fund contribution last year by the company required $30,000 but future contributions will be in gradually decreasing amounts.

Consol. Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Gross oper. earnings	861,853	789,926
Add: Invest. inc.	8,212	7,098
Gross earnings	870,065	797,024
Less: Depreciation	187,963	164,217
Exec. & legal remun.	34,449	31,519
Spec. director's sal.	3,000	3,000
Directors' fees	2,800	2,443
Income & E.P. taxes	351,800	340,500
Pension fund	30,000	30,000
Conting. reserve	30,000	15,000
Net profit	230,233	210,345
Less: Pref. divids.	......	16,092
Common divids'	135,000	120,000
Surplus for year	95,233	74,253
Add: Previous surplus	717,375	643,122
Earned surplus fund	812,608	717,375
Earned per share:	$2.30	$1.94
Paid	1.35	1.20
Shares, o/s:		
Common, n.p.v.	100,000	100,000
Working Capital	$	$
Current assets	1,777,744	1,485,894
Current liabilities	399,918	382,697
Working capital	1,379,826	1,103,197

Western Grocers

Steady growth in demand during last year is reported by Western Grocers Ltd. Volume of sales, in both dollar value and tonnage was greater than for 1940. Fractional decline in gross profit partly offset the rise in sales but net profits, aided by higher dividends from subsidiaries, are greater. On the common shares the company earned $12.29 a share in 1941 against $10.98 a share for 1940. Dividends paid last year totalled $4 compared with $3.

Inventories at just under $2 millions are well above the $1.2 million reported a year ago. W. P. Riley, president, reports this is due to rise in commodity prices but mainly to desire to have on hand substantial stocks of staples.

Trading experience of the company's subsidiaries was much like that of the parent company. All three earned trading profits last year.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Operating profit	424,023	373,998
Less: Depreciation	27,939	28,971
Exec. salaries	98,131	64,606
Directors' fees	3,000	3,000
Legal fees	408	984
Income & E. P. tax.	120,000	105,000
Add: Divd. from subs.	117,447	98,197
Net profit	291,992	269,634
Less: Pref. dividends	83,601	83,601
Common divds.	67,772	50,829
Surplus for year	140,619	135,204
Add: Prev. surplus	855,979	720,775
Earned surplus fwd.	996,598	855,979
Earned per Share:		
Preference	$25.45	$22.58
Paid	7.00	7.00
Common	12.29	10.98
Paid	4.00	3.00
Shares O/s.:		
Preference, $100 par	11,943	11,943
Common, n.p.v.	16,943	16,943
Working Capital	$	$
Current assets	2,829,241	2,046,546
Current liabilities	1,244,287	850,965
Working capital	1,584,954	1,195,581

Ford Of Canada Stake In Far East Sizeable

Loss of Singapore hits Ford Motor Co. of Canada, which has the wholly-owned subsidiary, Ford Motor Co. of Malaya, Ltd., which operated an assembly and distribution plant there. The company's investment was not large and the subsidiary employed few Europeans. Capitulation of the British Army to the Japanese is reported to have taken place at the Ford plant.

W. R. Campbell, president of Ford of Canada, told The Financial Post that wives and families of company employees were safely evacuated some time before the city fell. Not all white employees, however, got out. Some were in the armed defense forces. The company so far has no word of their fate.

Those who got out were unable to take any funds or belongings with them. Money had to be sent from Canada to meet their needs.

The Singapore plant was about five or six miles outside of the city on the road to Johore. Ford of Canada has other plants in this section of the world. Its largest investment is in Australia where it has five plants and does considerable manufacturing, particularly of automobile bodies. Others are import, assembly and sale companies. As given in the 1940 annual report these subsidiaries were as follows:

	Parent Company's Investment, 1940 $	Plants at
Ford Motor Co. of South Africa	2,365,444	Port Elizabeth
Ford Manufacturing Co. of Australia	2,910,000	Geelong
Ford Motor Co. of Australia	2,910,000	Sydney, Brisbane, Adelaide, Fremantle.
Ford Motor Co. of India	1,434,365	Bombay, Calcutta, Madras, Colombo.
Ford Motor Co. of Malaya	418,848	Singapore
Ford Motor Co. of New Zealand	1,585,077	Wellington
	11,623,734	

Mr. Campbell told The Post that no material change has been made in the past year in the company's investment in these subsidiaries. All of them have been working at capacity, using almost entirely workers from the countries in which they are situated.

Although these subsidiaries reported net profits of $2.9 millions in 1940, no dividends were paid to the parent company. In 1939 affiliated companies paid $2.2 millions in dividends to the parent company. What happened in 1941 is not known.

Ford Earnings Satisfactory

From time to time there have been suggestions, apparently from U. S. sources, that Ford of Canada is likely to experience reduced earnings as a result of switching to war work. Mr. Campbell tells The Post, however, that this assumption should not be accepted too readily.

The company will have completed its switch to war work by next month and for most of 1941 its work has been to a great extent on war orders. There appears little reason to doubt that the company will be able to earn and pay its $1 a share dividend. Mr. Campbell makes it clear that war work, even when it pushes the company's operations to new peaks of employment, does not mean high earnings. The tax structure takes care of that and the average margin on government work is less than on a comparable volume of civilian production.

The company now employs about 14,000 workers in Canada compared with 11,486 at the close of 1940.

B. C. Abandons Oil Drilling

From Our Own Correspondent

VANCOUVER.—Disregarding protests of ex-premier T. D. Pattullo, the British Columbia legislature has decided to throw open the Peace River for exploitation by private oil interests provided satisfactory guarantees of intention are given.

Under the Pattullo regime, the British Columbia government enjoyed a monopoly of the Peace River area so far as oil drilling was concerned, but the government's experiments were rewarded with little success.

Drill Down 5,500 Feet

In the past year drilling has been at Commotion Creek near Pouce Coupe, where a depth of about 5,500 ft. was reached. Geologists have advised the government that oil may be struck at 7,000 ft.

Those who favored opening the area to private lease argued that the government in wartime had no justification for spending money on drilling for oil.

Provincial Paper

Provincial Paper Co., fine paper maker and subsidiary of Abitibi Power & Paper Co. reports net profits for 1941 equivalent to $10.65 a share on its preferred stock compared with $7.81 a share for 1940. On the common, all of which is owned by Abitibi, $1.28 was earned last year against 28 cents a share in 1940. No dividends have been paid on the common since 1937.

Funded debt has been reduced by $200,000 to $3.1 millions of 5½% first mortgage bonds, due 1947.

Income and Surplus Account
Years Ended Dec. 31

	1941 $	1940 $
Net earnings	1,267,653	1,056,194
Less: Depreciation	300,000	300,000
Bond interest	176,177	182,862
U. S. exch. prem.	18,940	20,165
Income & E.P. taxes	400,000	280,000
Net profit	372,536	273,217
Less: Pref. divids.	245,000	245,000
Surplus for year	127,536	28,217
Add: Previous surplus	1,130,256	1,102,039
Surplus forward	1,257,792	1,130,256
Earned per share:		
Preferred	$10.65	$7.81
Paid	7.00	7.00
Common	$1.28	$0.28
No dividends paid.		
Shares o/s:		
Preferred $100 par	35,000	35,000
Common, n.p.v.*	100,000	100,000
Working Capital	$	$
Current assets	3,861,580	3,478,936
Current liabilities	842,633	603,510
Working capital	3,018,947	2,875,426

* All owned by Abitibi Power & Paper Co.

Bond Sales

Treasury Bills

Sale of $45 millions of Dominion of Canada treasury bills has been made at an average price of 99.86426 to gave an average cost basis of 0.545%. This compares with cost of 0.547% in the last previous sale.

Obituaries

E. F. Crossland, at Toronto, aged 74, president of Steele Briggs Seed Company.

S. C. Tweed, aged 55, at Winnipeg, president and general manager of the Universal Life Assurance and Annuity Co.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Dominion—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Canada Treasury Bills	Feb.			May 15, '42	$45,000,000	99.864	.545%

HOLD HIGH THE TORCH OF *Freedom*

Do your part in Canada's fight for freedom. In the Axis' assault against democracy, freedom—everything that makes life worth while—is at stake. Only victory can preserve it.

Participate today—to the limit of your ability—in the new Victory Loan.

BANK OF MONTREAL

Early Spring Arrivals in Men's Shoes

Here they are, men, at The Store For Men — the new arrivals in footwear! And you'll agree that for style, color, finish — for downright good value — they top anything you've seen for many a season! Balmorals, semi-brogues, bluchers and full brogues — in a full range of sizes — 6 to 12. Make a point of seeing them first chance you get! Pair $5

Simpson's
THE STORE FOR MEN— STREET FLOOR

THE SCOTT MISSION
Rev. M. Zeldman, Director
726 BAY ST.
TORONTO
WA. 9855

A Baby Born in February!

But the Mother had no swaddling clothes for it.

This week scores of ill-clad men were given mitts, boots and clothes to keep warm while shovelling snow off the streets.

Yes, and we fed them, too.

We Have Served 1,000 Meals to Date

All this was done on faith in a loving God and confidence that Christian men and women do care.

A non-denominational Faith Mission that URGENTLY NEEDS and FULLY DESERVES your support.

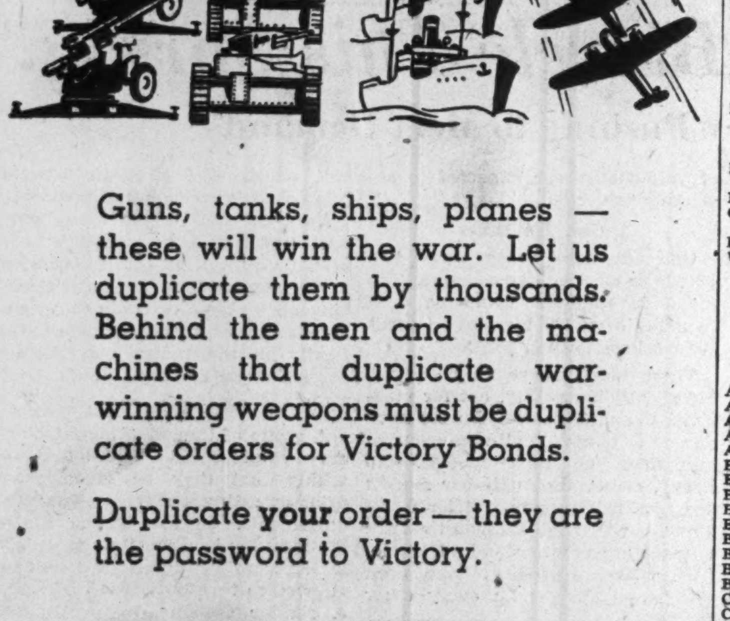
The Modern Way

What have you done about your estate? Have you made your will? Have you reviewed it lately in the light of the new Dominion Succession Duties and to cover all other changes which might affect your estate? Have you provided adequate protection for your family by naming the Crown Trust Company as one of your Executors?

We invite you and your lawyer or notary to discuss these matters in strict confidence with us.

Crown Trust Company

Executors :: Trustees :: Financial Agents
MONTREAL TORONTO



Guns, tanks, ships, planes — these will win the war. Let us duplicate them by thousands. Behind the men and the machines that duplicate war-winning weapons must be duplicate orders for Victory Bonds.

Duplicate your order — they are the password to Victory.

Buy the New

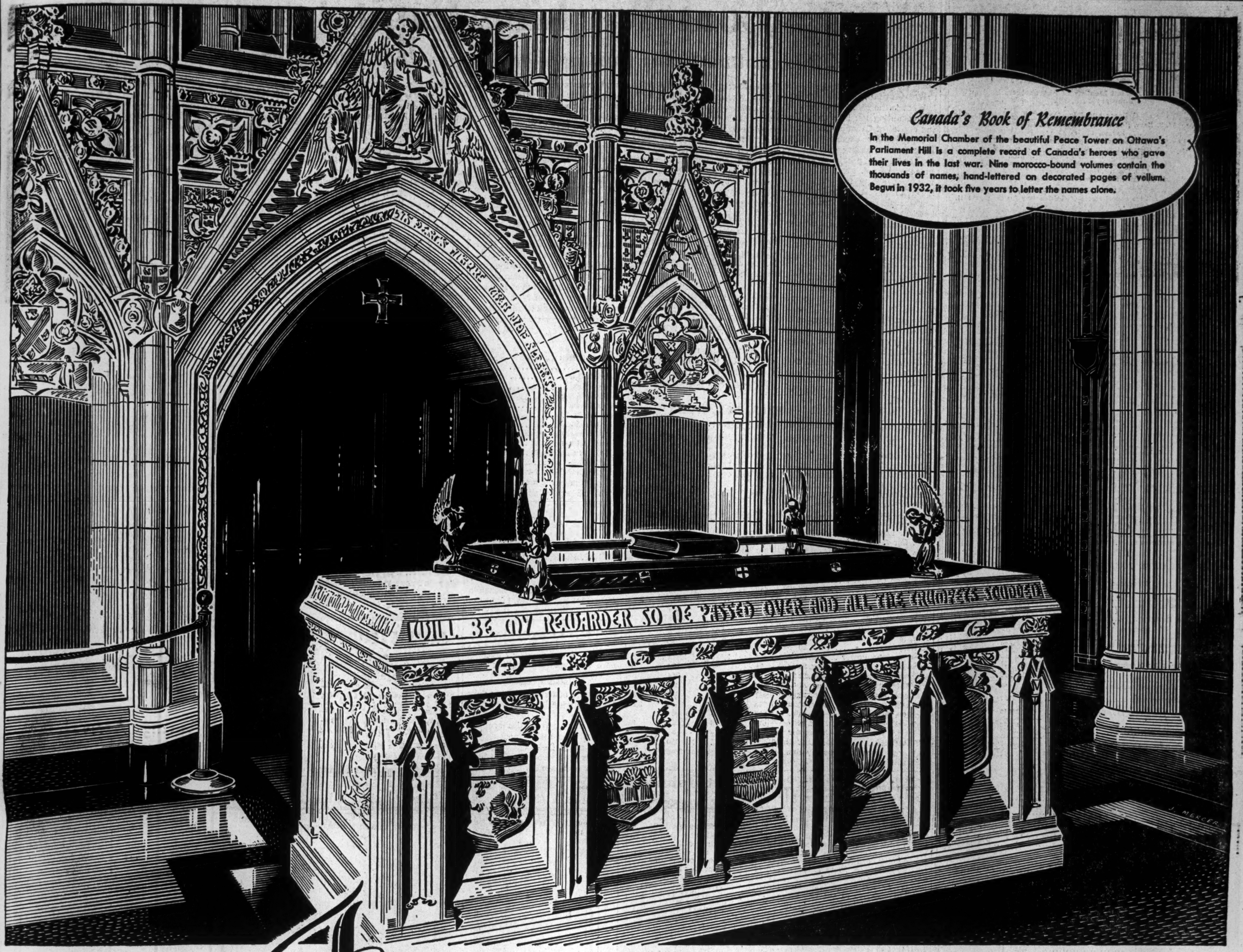
VICTORY BONDS

1942's Best Investment

Addressograph Multigraph

ADDRESSOGRAPH-MULTIGRAPH OF CANADA LIMITED
Head Office and Factory: TORONTO

Halifax Quebec Montreal Ottawa Toronto Hamilton Winnipeg Vancouver


WILL BE MY REWARDER SO HE PASSED OVER AND ALL THE TRUMPETS SOUNDED

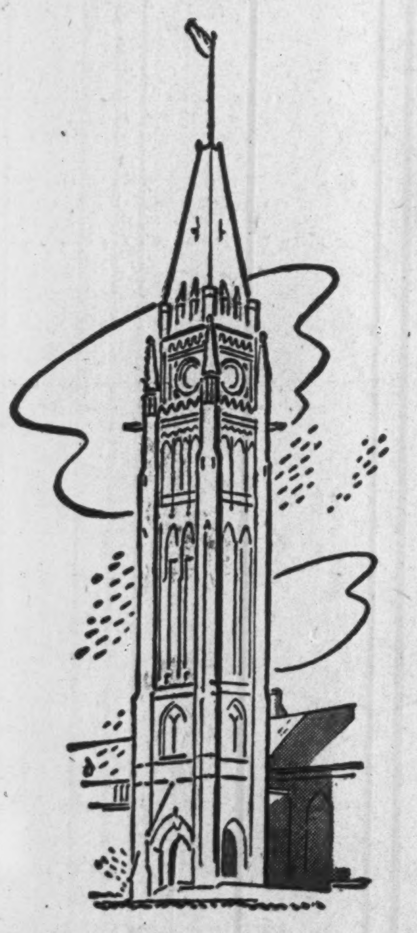
Canada's Book of Remembrance

In the Memorial Chamber of the beautiful Peace Tower on Ottawa's Parliament Hill is a complete record of Canada's heroes who gave their lives in the last war. Nine morocco-bound volumes contain the thousands of names, hand-lettered on decorated pages of vellum. Begun in 1932, it took five years to letter the names alone.

If ye break faith..

Take up our quarrel with the foe,
To you from failing hands we throw
The torch; be yours to hold it high.
If ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders Fields.

JOHN McCRAE—1915
By Permission, Ryerson Press



Here in this Tower of Peace, in Canada's Parliament Buildings, a Book of Remembrance commemorates those who had in them that breath of God that is Liberty. They went on their Crusade a generation ago. For them, on a great ridge in a foreign land, a naked sword broods on the bosom of a cross. To fail them is to sully their sword and scorn their cross and break their sleep. The least we can do, in the light of the torch they threw to us, is to give our money where they gave their lives.

GM
GENERAL MOTORS
CHEVROLET • OLDSMOBILE
PONTIAC • McLAUGHLIN-BUICK
CHEVROLET AND GMC TRUCKS

Buy THE NEW VICTORY BONDS

GM-142

Provincial Transport Company

(including wholly-owned subsidiaries)

THIRTEENTH ANNUAL REPORT

(for the year ended December 31st, 1941

Submitted at the Annual Meeting of Shareholders held on February 27th, 1942

Officers and Directors

W. S. Hart, *President and Managing Director*
J. E. Savard, *Vice-President*
H. J. Curtis, *Vice-President and Treasurer* Roch Tremblay, LL.L., *Secretary*
Russell D. Bell, F. T. Collins, K.C., S. Godin, Jr., P. S. Gregory, W. S. Hart, Beaudry Leman, H. R. Mallison, Geo. H. Montgomery, K.C., J. E. Savard, R. N. Watt
J. R. Collins, *General Manager*
R. G. Perry, *Passenger Traffic Manager*

To the Shareholders:

Your Directors submit the annual report of the Company for the year 1941, together with the Balance Sheet, Profit and Loss and Surplus Accounts.

Total Operating Revenue for the year was $3,010,892.49, exceeding that of the previous year by $951,782.04. During the period 8,979,212 miles were operated, an increase of 2,075,938 miles over 1940. 9,235,323 passengers were carried, an increase of 3,050,438. For the past year your Company's facilities have been fully employed in taking care of the business offering. Interurban services have been much used in conveyance of troops to and from training centres, servicing munitions plants, and in taking care of increased traffic generally. Urban traffic in the Cities of Sherbrooke and Kingston has shown a large increase, as these cities have been very active industrially, and both are military centres. This shows, in some measure, the part played by transportation companies in wartime.

Operating expenses were considerably higher. The Company has used its equipment to capacity this season. The maintenance cost on the older coaches is heavy, and has added appreciably to the cost of operation. A number of coaches were leased from other companies to supplement the service. The rentals paid are included in the year's expense.

The principal amounts paid in Operating Taxes were:—Motor Licenses $61,780., Road Taxes $77,001., and Gas Taxes $159,572., a total increase of $88,725 for the year. This is largely due to additional mileage, and the impositon of a Federal Tax of 3c. per gallon on gasoline.

There has been appropriated for depreciation an amount of $348,747. an increase of $87,925. over last year. This is sufficient to provide for the proper requirements of the fleet of buses and other property of the Company. After making this appropriation, there remains net profit of $424,077. before income and profits taxes. Provision was made for such taxes to an amount of $269,650. in comparison with an amount of $136,000. set aside in 1940 for this purpose.

After deduction of all expenses, depreciation and provision for income taxes, a balance of $154,427. was transferred to Surplus Account. There was paid out in dividends, $100,000. which is at the rate of 40c. per share per annum.

Travel restrictions affecting your associated companies which maintain lines to New York and Boston still continue. No income has been derived from either line this year. An acceptable arrangement has now been made to dispose of the Boston line.

Your Company purchased 23 new buses in 1941, and now operates 227 buses. Twelve new buses have been ordered for delivery in the early part of 1942.

For many years the garage facilities of the Company have been very inadequate. Prior to the outbreak of war, the general increase in travel over the Company's lines, and the greater number of vehicles required to carry it, showed the necessity of securing new and more suitable quarters for housing and servicing the fleet. A suitable piece of land has been acquired in Montreal, and a new garage is now in course of erection thereon. This will house all the Company's rolling stock, and provide adequate maintenance and service facilities. The cost of construction is being met from the Company's cash resources, supplemented by a loan of $150,000.00 secured by a mortgage upon the new premises.

At a special meeting of the Shareholders held on February 27th, 1941, the number of Directors of the Company was increased to ten members. Subsequently, the Directors appointed to the new directorship, Mr. Russell D. Bell, who has had long connection with public utilities.

During the year Mr. H. R. Mallison, Vice-President and General Manager, resigned owing to ill health. His services to the Company commenced almost at its inception and covered many years of satisfactory effort. Mr. H. J. Curtis was appointed Vice-President and Treasurer, and Mr. J. R. Collins, General Manager.

Your Directors desire to record their appreciation of the loyalty and efficiency of the staff and employees throughout the entire organization.

W. S. HART, *President.*

COMPARATIVE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year Ended December 31st, 1941, Compared with 1940

	1941	1940
Passenger Revenue	$2,961,618.63	$2,022,360.49
Other Operating Revenue	49,273.86	36,749.96
Total Operating Revenue	3,010,892.49	2,059,110.45
Deduct:		
Operating Expenses	1,782,229.98	1,167,995.46
Administration and General Expenses	108,867.39	96,533.93
Operating Taxes and Licenses	344,325.87	255,600.50
Total Operating Expenses	2,235,423.24	1,520,129.89
Operating Income	775,469.25	538,980.56
Less: Reserved for Depreciation	348,747.68	260,822.32
Net Operating Profit	426,721.57	278,158.24
Other Income:		
Income from Temporary Investments	5,541.15	6,735.28
Gross Profit	432,262.72	284,893.52
Less: Interest	8,185.25	8,571.25
Net Profit (before Income and Profits Taxes)	424,077.47	276,322.27
Deduct:		
Provision for Income and Profits Taxes	269,650.00	136,000.00
Net Profit transferred to Surplus Account	$ 154,427.47	$ 140,322.27

SURPLUS ACCOUNT

Balance brought forward from previous year	$ 447,039.17
Deduct:	
Adjustments applicable to prior years	8,882.83
	438,156.34
Add:	
Net Profit for year 1941 (transferred from Profit and Loss Account)	154,427.47
	592,583.81
Deduct:	
Dividends paid in 1941	100,000.00
Surplus Carried to Balance Sheet	$ 492,583.81

CONSOLIDATED BALANCE SHEET

As at December 31st, 1941

ASSETS

Current:—		
Cash in Bank and on Hand	$ 227,901.11	
Call Loans	220,000.00	
Temporary Investments	54,041.26	
Accounts and Bills Receivable (less Reserve)	84,812.29	
Materials and Supplies	188,813.41	
		$ 775,568.07
Fixed:—		
Motor Coaches and Equipment	1,956,189.38	
Less: Depreciation	1,161,092.92	
	795,096.46	
Land	228,719.63	
Buildings (less Depreciation)	158,176.57	
Garage Under Construction (Expended to Date)	300,363.43	
		1,482,356.09
Investments in and Advances to Associated Companies		96,732.19
Franchises and Goodwill		491,448.42
Deferred Charges to Operation		34,276.76
		$2,880,381.53

LIABILITIES

Current:—		
Accounts and Wages Payable (including provision for Income and Profits Taxes)	$ 422,561.29	
Accrued Charges	44,080.78	
Unredeemed Tickets	122,120.84	
		$ 588,762.91
Operating and Insurance Reserves		173,552.56
Mortgages Payable		300,000.00
Capital Stock:—		
Authorized and Issued:—		
250,000 shares of No Par Value		1,325,482.25
Surplus		492,583.81
		$2,880,381.53

AUDITORS' REPORT

We have made an examination of the Consolidated Balance Sheet of Provincial Transport Company and its wholly-owned subsidiary companies, Colonial Coach Lines Limited, Kingston City Coach Company Limited, and Sherbrooke City Transit Company Limited, as at 31st December 1941, and have received all the information and explanations we have required.

In connection therewith we examined or tested the books and accounting records of the Companies and other supporting evidence, but we did not make a detailed audit of all the transactions.

Materials and Supplies have been certified as to quantities and values by responsible officials.

Ticket Sales and Cash Funds have been checked periodically by the Companies' Internal Auditor, from whom we have received certificates to that effect.

An amount of $88,797.27 is reserved for the proportion of Unsettled Injuries and Damage Claims, payable by the Companies. The officials estimate this sum to be sufficient for the purpose.

Subject to the above, in our opinion, the foregoing Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of the aforementioned Companies, according to the best of our information, the explanations given to us and as shown by the books.

SHARP, MILNE & CO., Chartered Accountants.

Montreal, February 12th, 1942.

Approved on behalf of the Directors:

J. E. SAVARD
F. T. COLLINS } Directors.

Soo Bondholders Seek Bond Interest

First mortgage bondholders' group announces that Feb. 21 has been scheduled by the U. S. Federal Court at Minneapolis for hearing a petition seeking immediate interest payment from the Minneapolis, St. Paul and Sault Ste. Marie Railway, subsidiary of the Canadian Pacific Railway.

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What About Working Capital For Industry?

Substantial Gains During War Largely Due to Inventories, Receivables

By A. D. ELLWOOD
Investment Editor, The Financial Post

What is the effect of enormous and mounting tax bills on working capital of Canadian industry?

On the answer depends, in large measure, the ability of industry to handle the problems of the post-war period. From it can be measured ability to switch back again to peacetime work after the war and perhaps to hurdle the barrier of the readjustment period.

The transition will cost money and take cash resources. The last war period did not see many failures, but the postwar period of the early 1920's saw a tremendous number, many the result of inability to handle the transition to regular business from war's strains.

To date not a great number of annual reports are available covering the full year 1941, hence reflecting the impact of the boost in tax rates which was made that year.

But The Financial Post has records of 29 companies, representing a variety of industry. These have been analyzed; working capital has been broken down to show how major items such as cash, receivables, inventories, bank loans, payables and tax liabilities compare. The group does not include banks, financial companies or public utilities. It is a study of industry and distribution alone.

Aggregate Gains

The results are interesting. It is found, for example, that aggregate working capital (current assets less current liabilities) actually declined slightly, in the first war year of 1939, crept up just over 6% in 1940 and galloped ahead almost 20% in 1941. In the latest year only three out of the 29 failed to make some progress in this respect.

But this is not the whole answer. On the surface it would appear that Canadian industry is becoming well strengthened to handle whatever may be ahead of it. But closer examination reveals that all is not so rosy as appears at first glance

Including cash, call loans and investments in bonds—chiefly Dominion of Canada — under one head it is found that reports issued in the latest year indicate a gain of 76.2% in 1941 over 1940 and one of 65.3% in 1941 over 1939. The year 1940 actually saw a small decline.

Cash for Taxes

But to a great extent, this cash represents accumulation of liquid resources to meet tax bills due shortly after the close of the company's year. Tax provision in 1941 was 483.5% above that of 1939 and 128.3% over that of 1940.

If tax provision included among current liabilities for this group of 29 companies is deducted from cash and equivalent items, it is found that the balance has shown a sharp drop. Measured from the 1939 total, cash and equivalent, less taxes, is down 32%. Measured from 1940, however, there is a gain of 15%, suggesting that possibly some of the early shocks are being offset.

Actually cash, bonds, etc., taken from 1941 reports was 149.8% of the tax liabilities for the same year, 202.7% for 1940 and 528.8% for 1939. The conclusion from this seems to be that real liquids are having a lot of difficulty keeping pace with growing liabilities.

Inflated Inventories

Volume of business being done by Canadian industry is far above that of a couple of years ago. Prices for commodities are also higher. This makes necessary a larger amount of working capital to carry on from day to day. Larger sums are involved in buying materials; accounts receivable are inevitably higher; inventories are inflated by higher prices and necessity for keeping more materials and goods on hand.

Among liabilities, tax provision has already been discussed. Accounts payable are far higher, the gain being almost twice as great as that for receivables. Bank loans show least change among these major items although also following along the path toward higher levels.

This analysis of working capital, broken down into major items and covering the 29 companies mentioned, shows the trends more clearly. A few miscellaneous items are not included but the proportion of these to the total would be small.

Briefly this indicates that working capital — the difference between the current assets and current liabilities—has grown far less than the individual items. In other words, a rise in the assets items of cash, receivables and inventories has been largely offset by rise in loans, payables and taxes.

Watch Inventories

Moreover, a large proportion of the gain in current assets has been in inventories and receivables. The latter, assuming that reasonably good care has been exercised, threatens little trouble.

But inventories may prove another matter. Probably it will depend in large measure on the trend of commodity prices during and after the war. Canada's diligence in grappling with this problem promises less trouble than might have been expected under ordinary circumstances. It was the price inflation of 1919 and 1920, followed by the collapse of 1921, that forced so many bankruptcies after the last war. Whether or not it will happen again cannot be known at this time.

Altogether, this study indicates a healthy financial condition for Canadian industry. It does not reveal too great dependence on banks for working capital. It does indicate that a perhaps unsuspectedly large proportion of what gains are shown is due to heavier inventories, partly to care for greater volume of business being done and also due to higher prices.

ALL ITEMS HIGHER

	1941	1940	1939	Gains 1941 from 1939
Asset Items:	$000	$000	$000	%
Cash	22,978	13,042	13,898	65.3
Receivables	35,779	28,401	20,503	74.5
Inventories	46,521	38,053	31,929	45.7
Liability Items:				
Bank loans	9,535	8,874	7,139	33.6
Payables	17,963	11,915	7,606	136.2
Tax provision	15,335	6,435	2,628	483.5
Total working capital	62,512	52,311	49,190	27.1
Cash, etc., less tax	7,643	6,606	11,270	...
Cash as % of taxes	149.8	202.7	528.8	...

How Working Capital Has Grown

Comparison of Working Capital

	Year Ends	1941 $000	1940 $000	1939 $000	1938 $000
Beatty Bros.	Aug. 31	5,119	4,888	4,430	4,376
Brantford Cordage	Aug. 31	1,967	1,733	1,577	1,619
Cockshutt Plow	Nov. 30	4,512	4,260	4,059	3,800
Cub Aircraft	Oct. 31	78	75	34	31
Canada Bud	Oct. 31	677	596	543	457
Canada Cement	Nov. 30	4,069	2,735	3,416	3,857
Canada Vinegars	Nov. 30	252	264	235	244
Canadian Bakeries	Aug. 31	326	296	340	238
Canadian Breweries	Oct. 31	2,114	1,983	1,916	1,407
Can. Car & Foundry*	Sept. 30	*7,863	2,354	1,490	2,874
Can. Industrial Alcohol	Aug. 31	4,020	3,746	3,439	4,047
Dominion Bridge	Oct. 31	8,953	8,410	7,700	7,700
Dominion Glass	Sept. 30	2,717	2,367	2,835	2,673
Dominion Oilcloth	Oct. 31	2,252	2,223	1,648	1,810
Fleury-Bissell	Oct. 31	146	156	224	262
General Steel Wares	Dec. 31	4,474	4,383	4,241	3,952
Guelph Carpet	Sept. 30	772	752	739	693
Harding Carpets	Oct. 31	239	481	468	369
Imperial Varnish	Aug. 31	646	564	482	430
International Paints	Sept. 30	726	658	625	561
Kelvinator	Sept. 30	539	482	785	727
Lake St. John Power	Dec. 31	3,204	2,562	2,084	1,781
Loew's London Theat.	Aug. 31	71	47	30	41
Marcus Loew's Theat.	Aug. 31	456	399	344	371
MacKinnon Steel	July 31	262	242	253	243
National Sewer Pipe	Oct. 31	1,007	884	816	869
Sherwin-Williams	Aug. 31	4,295	4,059	3,869	3,599
Western Breweries	Oct. 31	227	145	61	15
United Distillers	Sept. 30	677	566	510	813
Total		62,512	52,311	49,190	49,860

*Large increase primarily due to receipt of payment from last war damage claim.

Montreal Dry Docks Pays Off All Arrears

From Our Own Correspondent

MONTREAL. — Continuing its policy of rapidly clearing off bond interest arrears, Montreal Dry Docks Ltd., subsidiary of Canadian Vickers, has announced that two semi-annual coupons of 3% each will be paid Feb. 23 to holders of first mortgage bonds.

This follows two semi-annual coupons paid Dec. 31 and will bring to 18% the total paid off in less than seven months.

The payment just announced covers the semi-annual installments of interest which became payable Aug. 1, 1941 and February 1, 1942, together with interest at 6% on the common. With the payment of the current declaration, interest arrears on the bonds will have been completely liquidated.

Investment Notes

Gatineau Power—Prospects are the company will not do much more than show dividend earned in 1941. Increase in taxes and limited gain in gross (as all power under contract) tend to restrict earnings. Obligations in respect to serial bonds also are becoming more pressing.

Newsprints—It is not expected the operators will have any difficulty in convincing price control authorities in Canada and the United States that the $3 a ton advance, scheduled as from April 1, is justified by reason of higher costs. This is the first change since the beginning of 1938.

* * *

Industrial Acceptance — Restrictions on installment sales naturally affect volume of this company and in turn earnings. Opinion in well-informed quarters is that no difficulty will be experienced in covering debt charges, though it remains to be seen how much will be available on the capital stock.

* * *

Price Bros.—The statement for 1941 is expected to show a moderate improvement in net profits. In 1940 the company earned $2.17 a share on the common stock. The stock is currently selling at less than five times earnings.

Market Opinions

Gloomy war developments of recent weeks leave most commentators cautious.

Journal of Commerce, N. Y.—Prevailing unwillingness to make new commitments in the absence of convincing basis for estimating prospective earning power for most equities accounts for the record low level of trading in New York. One major uncertainty is the 1942 tax burdens and another is the profit margin which concerns formerly engaged on civilian work may realize on arms contracts. Probable duration of the war is another uncertainty with a long war meaning ever heavier burdens and restriction while a relatively early end suggests lessened burdens. Over the near future day to day war developments are likely to govern market moves.

* * *

Barron's, N. Y. (The Trader)—A tremendous business boom and government spending of astronomical scope dominates the outlook for the American economy. The business boom will, of course, be lopsided and the huge financing will be somewhat tempered by wartime taxation. Yet in the face of both factors it is difficult to see wherein cash may become more valuable and a liquid position marketwise thus justified. Yields of sound stocks such as now seen occur only in a great crisis. The longer drawn out the critical period, the more prolonged may be the area of accumulation. Sentiment when it changes, as it must some day, will probably swing about with characteristic American volatility.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
					(Base 1935-39=100)							
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.1	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Sept.	80.5	78.5	75.1	51.3	108.4	93.3	102.4	82.4	68.8	91.2	74.7	71.0
Oct.	78.3	75.5	74.5	51.2	105.7	91.9	98.7	78.9	67.2	90.8	72.5	69.1
Nov.	78.2	76.4	74.9	52.9	110.0	91.0	102.6	77.8	65.5	91.7	71.1	68.8
Dec.	75.5	72.9	72.2	49.0	110.4	91.4	104.8	75.5	63.0	90.5	68.7	67.2
Weekly Figures:												
1942:												
Jan. 2	74.5	71.5	72.4	48.5	110.4	91.6	106.1	75.1	64.0	90.3	69.9	68.2
Jan. 8	73.3	73.1	75.7	46.7	113.5	91.7	102.1	75.5	63.8	90.9	69.6	67.1
Jan. 15	74.8	72.8	75.3	46.5	112.7	89.5	99.0	74.8	63.8	90.9	70.3	67.0
Jan. 22	74.2	72.8	74.6	44.9	112.2	87.2	98.1	75.3	65.2	91.3	70.9	66.4
Jan. 29	74.9	68.9	72.3	45.4	112.8	86.3	97.4	74.6	64.9	91.1	70.7	66.5
Feb. 5	75.0	72.8	69.3	44.8	110.0	88.0	97.3	74.5	64.4	91.5	70.3	66.6
Feb. 12	74.6	69.4	68.5	44.4	109.4	87.5	96.6	73.4	62.6	91.2	68.1	65.3

*High and low for years from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 17	85.42	70.55	66.04	17.49
Feb. 16	86.60	72.50	66.93	17.55
Feb. 14	86.59	72.73	67.08	17.52
Feb. 13	87.42	73.45	67.36	17.58
Feb. 12	86.85	74.81	67.62	17.66
Feb. 11	87.72	75.50	67.77	18.19
Month ago	90.68	82.44	69.87	18.55
Year ago	90.93	99.20	63.28	19.29
High, 1942	93.50	83.71	71.01	18.86
Low 1942	86.59	72.45	66.93	17.49

Montreal Stock Exchange Averages

	10 Util	20 Ind.	30 Chd.	10 Ppra.	15 Golds
Feb. 17	41.0	57.5	52.0	69.27	45.18
Feb. 16	40.9	57.9	52.2	69.91	48.88
Feb. 14	41.2	58.1	52.5	69.91	51.46
Feb. 13	41.2	58.1	52.5	70.30	51.21
Feb. 12	41.2	58.4	52.7	70.30	52.06
Feb. 11	41.6	58.4	52.8	72.78	52.29
Month ago	43.2	60.1	54.5	74.43	54.42
Year ago	43.6	56.7	54.3	63.09	76.63
High 1942	43.6	60.5	54.7	77.18	54.82
Low 1942	40.9	57.5	52.0	69.27	45.18

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Acadia Sugar	†4½%	1955	Apr. 1	102

*$419,500. †$24,000.

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HIGHLIGHTS of the ANNUAL REPORT FOR 1941

Increased Savings Accounts "Guaranteed Trust Account . . . shows an increase from $5,308,000.19 to $5,380,188.06."

Strong Liquid Position "Quick Liquid Assets . . . equivalent to 115.45% of total savings on demand."

More New Estates "Inventory Value of estates under administration is $8,840,763.25 as compared with $8,240,374.02."

A copy of the report will be mailed on request.

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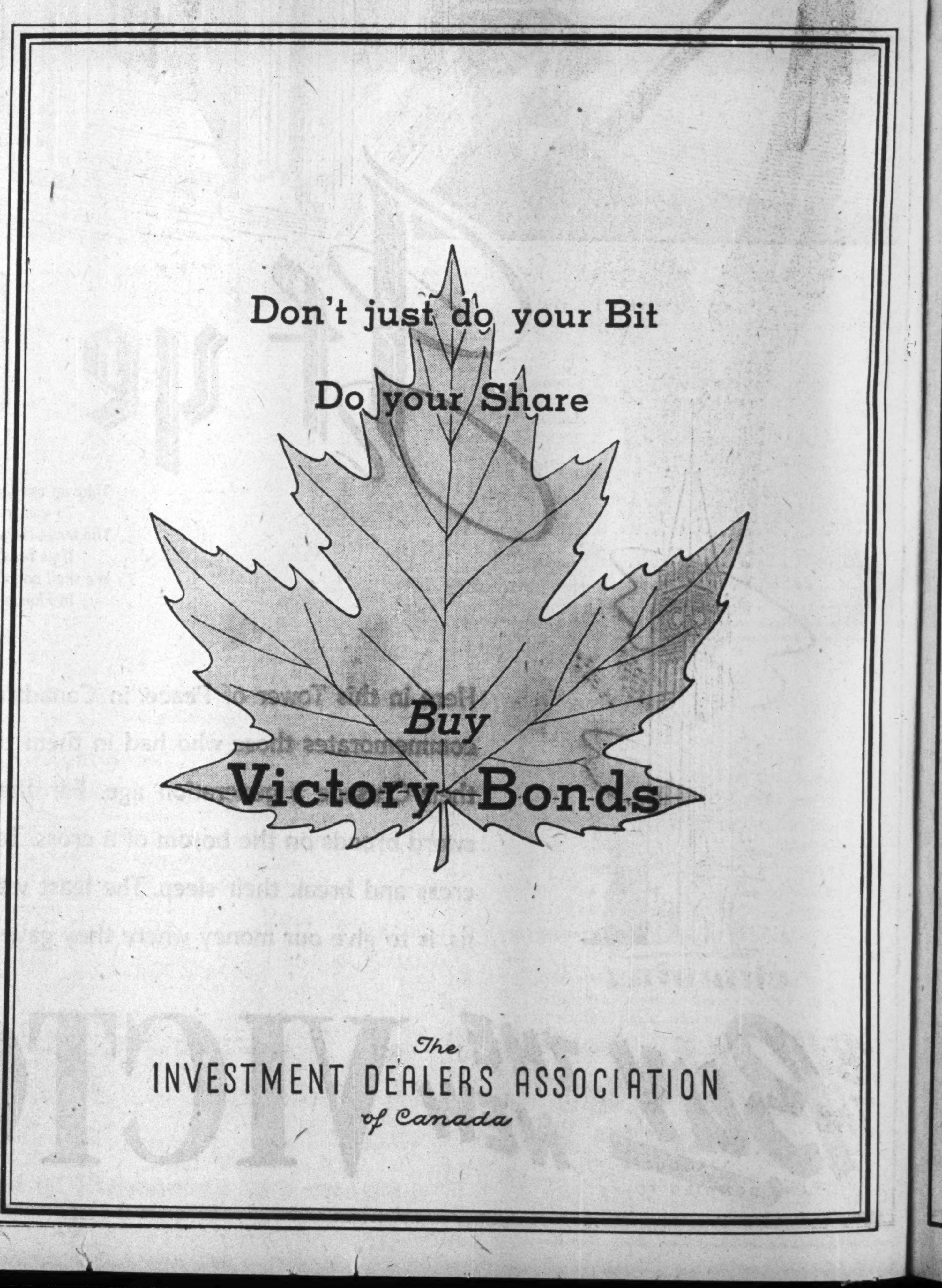

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How Big is Canada's Per Capita Debt?

'It Compares Well With U. S. and U. K. Figure

By R. C. STARK

While Canada's national debt continues to point skyward, Canadians can at least cheerfully point to the fact that, in relation to national income, our debt burden is a good deal lighter than that of Great Britain, and not much heavier than that of the U. S.

Great Britain's national income is around £6 billions; at Sept. 1, 1941, public debt of the British Government amounted to £12.8 billions or more than double the national income figure.

Canada's national income this year will be about $6 billions, or $525 per capita against a per capita debt of $445; our debt is about 85% of our national income.

National income of the United States will be about $100 billions in the current fiscal year. Debt at $70.6 billions is 70% of that figure.

Dominion Securities Corp. has worked out the following summary of the net direct debt and guaranteed debt of Canada and the United States on a per capita basis since 1930:

Comparison of Per Capita Debt

Fiscal Year ending in	Canada $	U.S. $
1930	295	130
1931	310	133
1932	321	154
1933	349	176
1934	352	201
1935	360	249
1936	371	285
1937	369	303
1938	372	313
1939	382	335
1940	387	357
1941	413	397
1942 (est.)	445	538

The 1942 estimates were arrived at by adding to the 1942 per capita debts of both countries, the official budget deficits for the current fiscal years. The Canadian figures do not include the $1 billion gift to Britain, recently announced, which would be about $90 per capita.

Pay As We Go

The sharper increase in U. S. per capita debt since 1930 is due to the Canadian policy of financing unemployment relief and other extraordinary costs of the depression from taxation to a much higher extent than was true in the United States. The long period when Canadian per capita debt exceeded that of the U. S. was accepted as being necessary to a country rich in undeveloped natural resources.

Recent conditions, however, have changed that condition so that American per capita debt will soon be greater than ours.

From the financial standpoint, war to Great Britain has meant unprecedented deficits. Expenditures of the British Government in the 1938-39 fiscal year were £803 millions, in 1939-40 they were £1.8 billions, in 1940-41 they were £3.8 billions. In the first six months of the current fiscal year which ends Mar. 31, 1942, expenditures amounted to £2.2 billions, or £625 millions more than the same period of the previous fiscal year.

Deficit in 1940-41 was £2.4 billions against £768 millions in the previous year. For the present year deficit will likely run close to £3 billions.

The same philosophy of paying as much as possible as we go that held true during the depression years is being followed in Canada again to a more marked extent than south of the border. This divergence of trend is shown in the following table by Dominion Securities:

Total Federal Expenditures (Millions of $)

Fiscal Year:	Canada Total expend.	Canada Covered by taxes %	U.S. Total expend.	U.S. Cover. by taxes %
1930	405.2	112	3,994.1	105
1931	441.5	81	4,091.6	78
1932	448.7	75	4,947.7	41
1933	532.3	58	4,325.1	48
1934	458.1	71	6,370.9	49
1935	478.1	75	7,583.4	50
1936	532.5	70	9,068.8	43
1937	532.0	85	8,546.3	63
1938	534.4	97	7,691.2	80
1939	553.0	91	9,268.0	61
1940	680.8	83	9,665.0	61
1941	1,249.6	70	12,710.0	60
1942 est.	1,920.0	78	30,576.0	39

This table shows that from 1930 to 1939 total expenditures in Canada increased 37% while those of the U. S. gained 147%. During the war period 1939-42 the Dominion's expenditures jumped 250% and the U. S. 230%.

What Canada's debt may be after the war is anybody's guess, but the price of victory can scarcely be measured in dollars. From the post-war standpoint, however, it is of importance that it is an internal debt that is being created, we are not seeking loans from beyond our boundaries.

Again of importance is that this is "a 3% war," the high coupons of the first World War which became such a drag are absent today. The post-war level of prices will have a large part to play in determining the extent of the burden of carrying our heavier debt. Last time the sharp fall in prices after wartime inflation materially increased our debt burden. Our price-ceiling activities are now striving to prevent a repetition of that situation.

D. E. BLAIR

A. DUPERRON

D. E. Blair, general manager, has been appointed a vice-president of the Montreal Tramways Co., and will combine the duties of this office with his present position. A. Duperron, chief engineer, has been appointed assistant general manager.

77 Stocks and Bonds Being Repatriated

Including securities taken over in January this year, Canada has bought back from Great Britain since the war started $695 millions of Canadian Government direct and guaranteed debt. This means that interest on this huge sum will henceforth be kept within Canada. It means that this method has been used to provide Canadian dollars to Britain for just about half of the U. K. purchases in Canada since the war started.

Prior to Jan., 1942, repatriation moves had resulted in transferring about $400 millions of Canadian Government securities formerly held by investors in Britain to Canada. The latest move, undertaken as a part of the "new deal" Canada has arranged with Britain, will bring back an estimated $295 millions of Canadian Government direct and guaranteed and Canadian National Railway unguaranteed debt.

Securities involved in the latest vesting order include 77 separate issues. How much of the total of each individual security outstanding has been repatriated is not known.

One issue was sold as long ago as 1858, a 5% perpetual debenture stock of the old Great Western division of the Grand Trunk Railway. The list includes eight perpetual issues of the C. N. R. and one of the Dominion.

Stocks and bonds involved in the latest repatriation move, said to clean out British-held securities of the Dominion and C. N. R., are as follows:

Vesting Order of Jan., 1942

Security:		Vesting Price
D. of C.	5/43	£24.1.4
D. of C.	5/52	25.8.5
D. of C.	4½/44	24.6.4
D. of C.	4½/46	25.0.7
D. of C.	4½/56	24.5.11
D. of C.	4½/57	24.9.11
D. of C.	4½/58	24.14.11
D. of C.	4½/59	24.19.5
D. of C.	4/45	23.11.8
D. of C.	4/52	24.1.9
D. of C.	4/60	26.8.3
D. of C.	3½/49	23.6.0
D. of C.	3¼/48-52	23.4.2
D. of C.	3¼/49	23.6.0
D. of C.	3¼/51	23.0.6
D. of C.	3¼/61	24.10.8
D. of C.	3¼/66	22.18.2
D. of C.	3/42	22.19.2
D. of C.	3/51	22.9.8
D. of C.	3/52	22.9.7
D. of C.	3/55	22.9.0
D. of C.	3/58	22.8.5
D. of C.	3/67	23.12.7
D. of C.	3/68	23.15.8
D. of C.	3/Perp.	21.7.8
D. of C.	2½/43	22.18.2
D. of C.	2½/44	23.0.11
D. of C.	2½/45	25.0.1
D. of C.	2½/47	101.7.9
D. of C.	2¼/44	24.15.6
D. of C.	2/44	22.15.1
D. of C.	1½/42	22.11.8
C. N. R.	5/54	27.1.0
C. N. R.	5/69 J	26.6.6
C. N. R.	5/69 O	27.7.11
C. N. R.	5/70	27.10.6
C. N. R.	4¾/55	26.14.9
C. N. R.	3/44	23.5.3
C. N. R.	3/50	22.9.8
C. N. R.	3/52	22.12.4
C. N. R.	3/53	22.10.9
C. N. R.	3/59	22.2.10
C. N. R.	2¼/44	23.0.4
C. N. R.	2¼/46	22.14.0
C. N. R.	2/43	22.17.2
C. N. R.	2% St.	97.7.6
Can. Nor. Alta. R.	3½/60	103.18.0
Can. Nor. Ont. R.	3½/61	105.8.1
Can. Nor. R.	6½/46	27.9.7
Can. Nor. R.	3½/58 (£)	104.8.0
Can. Nor. R.	3½/58 ($)	22.12.10
Can. Nor. R.	3½/58 ($)	110.3.7
Can. Nor. R.	3/53	101.7.9
Grand Trunk	5/Perp.	126.9.8
Great Western	5/Perp.	126.9.8
Grand Trunk	4/Perp.	101.17.10
Nor. Rly.	4/Perp.	103.7.11
Can. Atla.	4/55	108.6.11
Can. Nor. Pac.	4/50	102.17.11
Can. Nor. Pac.	4½/50	113.0.10
Can. Nor. Western.	4½/43 (Deb.)	101.7.9
Can. Nor. Western.	4½/43 Bds.	23.18.8
Grand Trunk Pac.	4/55 (Sup.)	109.8.5
Grand Trunk Pac.	4/55 (Pr. A)	109.8.5
Grand Trunk Pac.	4/55 (Mt. B)	109.8.5
Grand Trunk West.	4/50 ($)	21.13.8
Grand Trunk West.	4/50 (£)	105.8.1
St. John & Que.	4/62	96.7.5
C. N. O. R.	4/Perp.	94.17.3
C. N. Q. R.	4/Perp.	94.17.3
Can. Nor. R.	4/Perp.	95.2.4
Que. & L. St. John.	4/Perp.	95.7.4
Nor. Rly.	6% 3rd P. bds	115.8.10
Well. Gr. & Bruce	7%	125.9.8
Atl. & St. Lawr.	6% Stock	61.4.9
Montreal Harbor	5/69	27.4.4
N. Wstm. Harbor.	4¾/48	26.6.2

Mutual Benefit Reports Higher Premium Income

Net premium income of $1,238,746 in Canada is reported by the Mutual Benefit, Health and Accident Association. This amount is $461,981 more than the company wrote in 1940. The Association's deposit with the Receiver-General at Ottawa is now $704,000.

Massey-Harris Has Tank Order

A tank manufacturing contract, said to involve annual production valued at $100 millions, has been received by Massey-Harris Co. for its Racine, Wis., plant. An additional 840,000 sq. ft. of floor space has been acquired to handle the contract.

Massey-Harris is active in a wide range of war production in Canada, including shells, military truck bodies and airplane wings. The U. S. order is thought to be on a larger scale than the company's Canadian operations.

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JAMES J. LYONS

J. A. LABERGE

CAPITAL TRUST ELECT NEW DIRECTORS

Mr. Parent, General Manager, and Mr. Lyons, Assistant General Manager, of Capital Trust Corporation have been associated with the Company for many years. Mr. Laberge is prominent in lumbering and financial circles, especially in the north country. He is a resident of Sudbury. All were elected at the Annual Meeting on February 17.

Bond MARKETS

Inequities of Dominion-provincial tax agreements are being tolerated by Manitoba as domestic troubles of secondary importance, states Premier Bracken. He points out the agreement realizes only a small part of the Sirois recommendations. For instance, the Dominion does not take over provincial relief, which costs Manitoba $3 millions a year and the municipalities nearly as much. Neither does it provide for assumption of the provincial debt which now costs the province more than $5 millions a year in interest.

* * *

Sales of non-interest bearing securities in Canada to Feb. 7 totalled over $9.3 millions since start of the war. This method of financing is providing a minor headache for the U. S. treasury. Patriotic Americans have been offering to lend their government money without interest, but the Treasury has no power to issue non-interest bearing securities to special lenders. Some less complicated method than selling Treasury bills is now being sought to take care of this demand.

* * *

Support of the high-grade bond market during 1941 apparently did not cause any strain on the Bank of Canada. The Bank's holdings of Dominion and provincial government securities on Dec. 31, 1941, were $608,471,866, an increase of $32,708,704 on the year or a rise of roughly 5%. This at a time when the Dominion's debt increased some $1 billion, the greater part of the gain coming through public sale of bonds.

* * *

Wartime method of corporation financing is shown in a summary of capital assistance to Canadian war industries by the British and Canadian governments. To Feb. 10 this form of assistance totalled $570.2 millions. Assistance to "general munitions" undertakings totalled $433.5 millions, aircraft $52.2 millions, shipbuilding and repairs $12.9 millions, and government-owned companies $71.4 millions.

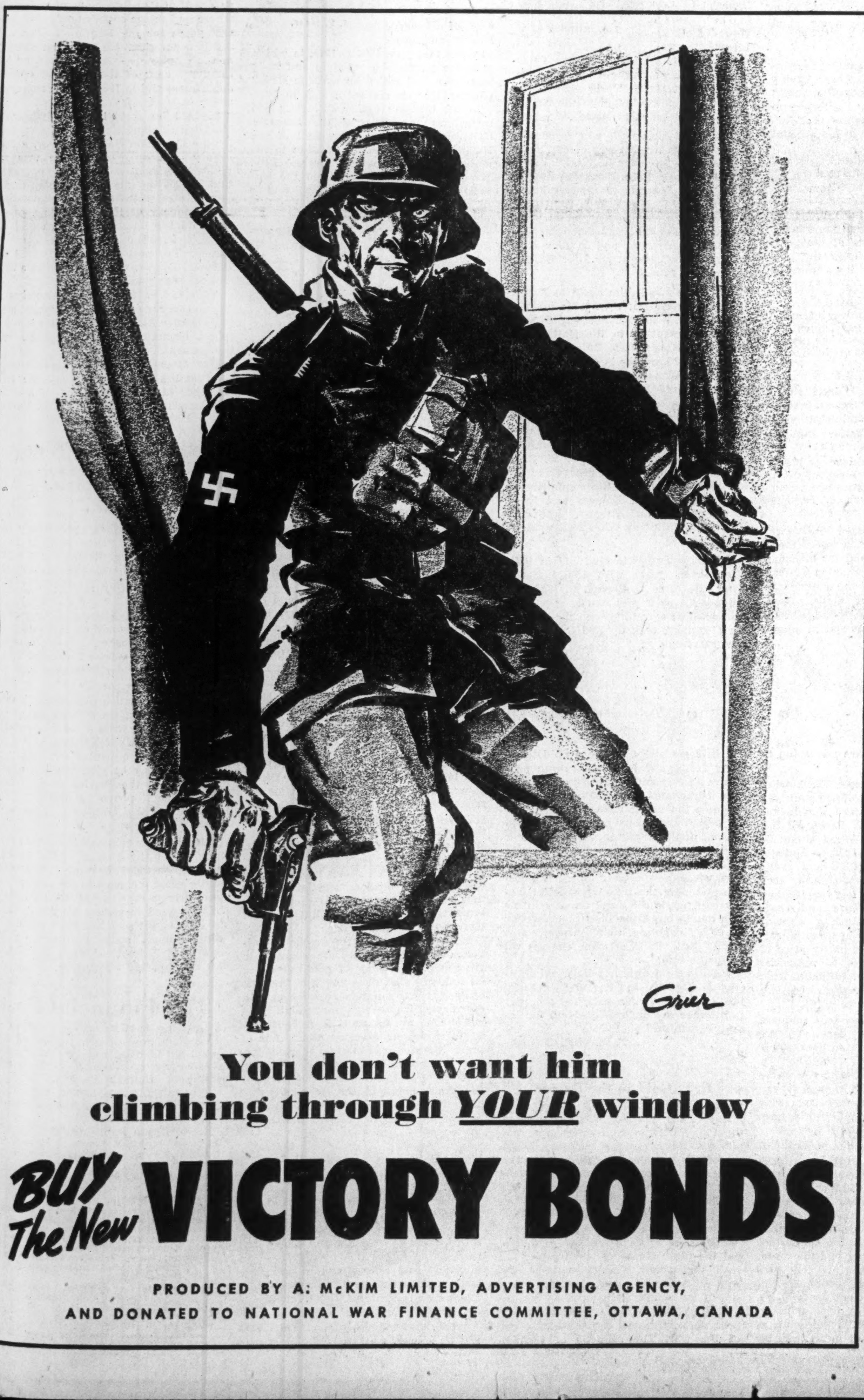
* * *

British Columbia municipal statistics at the end of 1940 are contained in the "Red Book" issued by the B. C. Bond Dealers' Association. This handbook details statistics of around 50 municipalities including total bonded debt, revenue producing debt, assessment, tax collections and other significant investment factors. The fact that the present publication does not contain comparative statistics for former years will be overcome in future years as it is proposed to issue the Red Book annually.

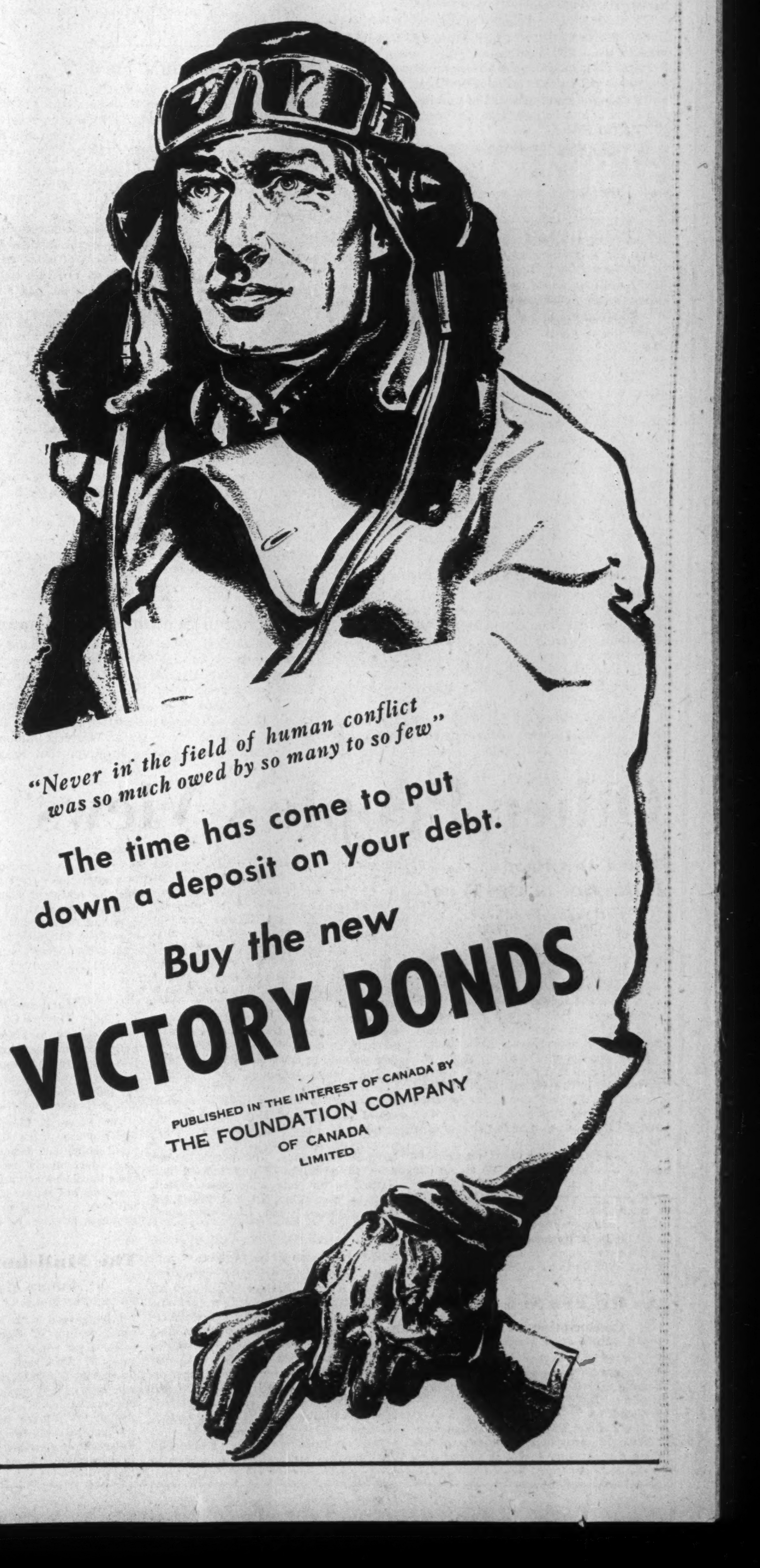
Bond Tenders

7 p.m., Feb. 21, Sch. Corp. of L'Abord a Plouffe, P.Q.—$6,000, 5%, dated Mar. 1, 1942, redeemable serially in 12 years. W. Marchand, sec.-treas.

5 p.m., Feb. 23, Cap de la Madeleine, P.Q.—$75,000, 4½%, dated Apr. 1, 1942, redeemable serially from Apr. 1, 1943, to 1952, or from Apr. 1, 1943 to 1962. F. Beaumier, clerk.



Grier
You don't want him
climbing through YOUR window
BUY The New VICTORY BONDS
PRODUCED BY A. McKIM LIMITED, ADVERTISING AGENCY,
AND DONATED TO NATIONAL WAR FINANCE COMMITTEE, OTTAWA, CANADA



"Never in the field of human conflict
was so much owed by so many to so few"
The time has come to put
down a deposit on your debt.
Buy the new
VICTORY BONDS
PUBLISHED IN THE INTEREST OF CANADA BY
THE FOUNDATION COMPANY
OF CANADA
LIMITED

The Editorial Page . .

The Employer's Duty in the Loan

There would not be the slightest difficulty in making the Second Victory Loan campaign an overwhelming success if a sufficient number of "small" subscriptions could be obtained.

On the other hand, if the pay rolls, salary cheques and bank accounts of Canada's workers are not drawn upon to a larger degree than in the past, it will be increasingly difficult to raise money to pay for Canada's war effort.

A completely accurate comparison between "small savings" in Britain and in Canada is not possible. Last year Britain raised over £633 millions in "small savings." Canada's sales of War Savings Certificates (and of war loan bonds up to subscriptions of $500 apiece) totalled about $200 millions. Britain's figure includes holdings of Defense Bonds of which £1,000 may be held by a single investor. If we include subscriptions up to $5,000 of the last Victory loan in Canada, our "small savings" last year totalled about $350 millions.

Thus "small savings" in Britain were $61 per capita; and in Canada $30 per capita.

Making due allowance for the higher accumulations of wealth in Britain and for the more drastic restrictions upon normal spending over there, it still seems that Canada should be able to increase its quota of smaller Victory Loan subscriptions.

If we were to achieve the British per capita figure we would raise nearly $700 millions in War Savings Certificates and — in $5,000-and-under Victory Loan subscriptions this year — including the February loan and the one to come in the fall.

With such a start, our war financing programme for 1942 would be off to a healthy start.

The responsibility of every employer is very great to insure the success of the "internal canvass" of every worker on his staff.

Maximum Sacrifice Not Reached Yet

Canada has almost attained a "war economy" but there must be a lot more reductions in the civilian consumption before the country approaches its maximum production of war supplies.

So argues Prof. A. F. W. Plumptre in an able and enlightening survey, just published, of how Canada has organized for war.

His study was originally prepared for Leon Henderson, administrator of the office of Price Administration at Washington, for whom Prof. Plumptre was an economic adviser on Canada. Expanded to book size, it covers the situation roughly existent in the late fall of 1941 when Prof. Plumptre felt Canada was behind Great Britain and ahead of the United States.

The University of Toronto economist estimates Canada's national income this fiscal year at $6,500 millions of which 36.4% is involved in our war burden. His figures show an actual increase in expenditures for "consumable" goods and services since before the war, but a considerable decline in new civilian investments.

Putting it another way, he figures that the war has increased the burden on our economy by about $2,197 millions while we have increased consumer expenditures by $744 millions. To take up the increased burden we have increased production by $2,336 millions; drawn on inventories in the amount of $150 millions and built fewer automobiles, houses and other equipment to an amount of $605 millions.

Thus, if Prof. Plumptre's figures are to be relied upon, we have not yet reached the point in Canada where we are paying for the war by sacrifice. New production has increased the national income more than the war has drawn from it.

The wealthy man knows that he is being impoverished by the war. The middle-class have become the "new poor." Someone then, must be deriving the benefit of the new production to the extent that it succeeds war needs. It is pretty obvious where it is going: into payrolls.

Potent Unifying Influence

Before the Japs attacked Pearl Harbor the casual outsider must have believed that the United States was an almost hopelessly divided country. Isolationists were in full cry, all sorts of subversive organizations were active and unmolested, a large section of the country appeared only luke warm toward President Roosevelt's aggressive foreign policy.

But within a month after the attack dividing lines had disappeared. From one end of the country to the other the ranks were closed and the United States buckled down to one single gigantic task. A potent factor behind that transformation was the national press—magazines and newspapers, of country-wide circulation.

Speaking in New York the other day, Walter D. Fuller, president of the Curtis Publishing Company, made this shrewd observation:

> "We are all one people, regardless of where we live or what our background has been, because the great blanket of the free press and the radio covers us all and smothers misunderstanding.
>
> "Imagine the conflict of interests, the sectionalism, the disunity that might easily exist without free interchange of information and viewpoints provided by national publications.
>
> "When the seeds were sown of our civil war, there were no truly national magazines in America. Then we lacked an important unifying ingredient of a nation. We needed the catalyzing effect of magazines, an escape valve of provincialism and an agent of understanding. National magazines came later and with them came the long era during which we had no serious sectional difference."

It is significant, as Mr. Fuller pointed out, that there has been no widespread free press in Europe. There was little encouragement from supernationalistic governments in the first place, and there was the almost insurmountable difficulty in the variety of languages and politics. But had there been such a press, Mr. Fuller believes, the seed of the present war "never would have sprouted."

There is some sober thought for Canadians in these opinions.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and man power, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme to deal with post-war employment and relief problems.*

Britain's Food

On his return to Canada last fall from a visit to Britain, Grattan O'Leary, associate editor of the Ottawa Journal said that British children receive no orange juice, no tomato juice, no cream and no eggs, or other vitamin foods that we supply our own children as a matter of course.

There has been considerable improvement since Mr. O'Leary was there, much of it due to Lease-Lend supplies of food.

Britain is now able to supply concentrated orange juice—in addition to occasional supplies of fresh oranges—to all children. Puree of black currant and other vitamin-rich foods are also supplied, at small cost to families which can pay and free of charge to families which cannot.

There has been an increase in supplies of nutritious tinned foods. The United States has already supplied over a million tons of food to Britain under Lease-Lend. The British are unstinting in their recognition of the source. A typical label reads, "This concentrated orange juice has come from the United States under Lease-Lend . . ."

Cod liver oil compound is made available on similar terms.

Cream is scarce in Britain but production of milk is 20 per cent above pre-war supplies. Ample quantities are provided to children, both for home use and at school.

There is a shortage of fresh fruits and vegetables, but carrots, cabbages, potatoes and brussels sprouts are plentiful and when properly cooked provide substantial amounts of the necessary elements of nutrition.

Immigration Sentiment Will Change

The biological facts of Canada's population growth suggest that inevitably there will be after the war a change of Canadian sentiment on the subject of immigration.

The redistribution of seats for the next House of Commons will bring the matter to a head. The prairies will lose seven seats. Western influence in parliament will decline in proportion to the representation of the east. At the same time English-speaking Canada will lose out to French-speaking Canada.

On the basis of population growth, the French-speaking influence in Canadian public affairs will continue to gain as successive censuses lead to further redistribution of seats on the plan laid down at Confederation.

English Canada and western Canada, which overlap, will probably insist that the rise of French Canada's and eastern Canada's influence be checked. Whether or not this is necessary or desirable is beside the point. The simple fact is that both groups are becoming alarmed by the relative decline of their political power.

Since the birth-rate of English Canada and western Canada is not maintaining the status quo there will be a demand for new immigration to "protect" it.

Both the western farmer and the working people of Ontario have opposed immigration in the past 20 years. A change in their attitude seems indicated as probable.

Advertising Under the Bombs

Advertising continues in Britain, despite bombs and blockades, because a nation's advertising is a sharp index of the hopes of its people. In making this statement, a brochure published by Lord & Thomas to tell what business is like under the bombs, gives these reasons why advertising maintains its vitality in wartime Britain:

> "1. It mirrors the commercial enterprise which remains in Britain, even in the third year of war.
>
> "2. It protects the advertisers' investments in trade names, in the long interval between pre-war and post-war activity.
>
> "3. It keeps contact with the changing habits of the public (particularly of women) in war.
>
> "4. It keeps contact with the new market growing up during the war.
>
> "5. It fulfills its responsibility of maintaining the freedom of the press by non-government support: the only practical way it can be done.
>
> "6. It plays an important role in upholding the morale of the people."

Today Britain's largest single advertiser is the government itself. It has also encouraged business firms to keep their trademarks alive through advertising, even when goods are in short supply.

Editorials in Brief

As lack of tires and gasoline drive more and more motor cars off the highways there is bound to be a great change in community life. People will have a grand opportunity for getting acquainted with their neighbors, of supporting and developing home talent and of patronizing local stores.

* * *

Manufacturers and business firms handling Dominion Government contracts and who have been having a little difficulty in getting prompt payment might take a tip from a Montreal merchant. Following up the delivery of goods to the local branch of the Wartime Prices and Trade Board, he sent in his account bearing the rubber-stamped words:

"Under the regulations of the Wartime Prices and Trade Board this bill must be paid within 30 days."

The bill was immediately sent on to Ottawa.

* * *

The Farmer's Advocate (London, Ont.) urges the appointment of some practical farmers on the various special war boards at Ottawa. In view of the great importance of agriculture in this country the plea seems reasonable and sound but one of the arguments advanced will not be welcomed by any farmers chosen. Says the Advocate:

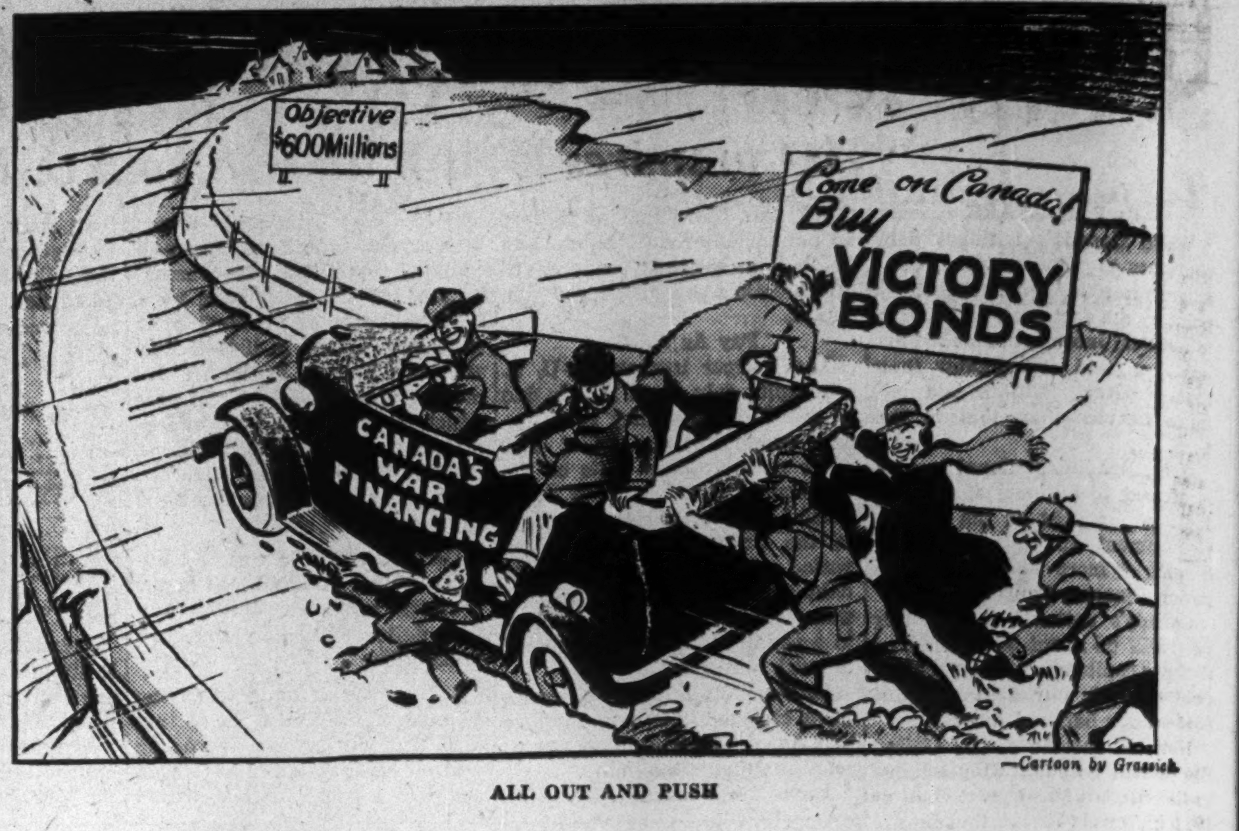
> "In refusing to appoint representatives of agriculture on the various boards the government is missing a splendid opportunity to unload the blame for mistakes made upon the shoulders of those who are likely to be hurt."

* * *

The United States Government is taking strong steps to halt the reckless purchase of blackout materials. Recently the Office of Price Administration at Washington wired the American Better Business Bureau as follows:

> "It is intended that no new yardage be used for this purpose. There is no official blackout cloth or material. Materials now in the homes and waste materials should be used for this purpose. Present wave of buying will seriously hinder war effort."

Similar steps might well be considered by Ottawa, especially for the inland cities of Canada where there is danger that the creation of a demand for blackout materials may interfere with the production of war materials. Our first step is to keep the enemy far from our shores. To do this we need shells, planes and tanks. If we do this job properly, then we need never worry about any continuous blackout in inland Canada.



—Cartoon by Grassick

ALL OUT AND PUSH

Post-Scripts . . . .

Red Cross Family

Stafford Roberts, newly appointed commissioner of the Ontario Division of the Canadian Red Cross, has special qualifications for his new responsibilities. His grandfather served as a young interne with Florence Nightingale in the Crimean War when the Red Cross came into existence. And in the first Great War Roberts' own life on two different occasions was saved through Red Cross care.

MR. ROBERTS
—J. Kennedy.

After attending Kelly College, Tavistock, then Cambridge University and the Royal Military College at Sandhurst, England, Roberts served with the regular Imperial Army from 1914-21. Wounded at Festubert in May, 1915, when his regiment, the Royal Sussex, attacked to relieve pressure on Canadian troops at Ypres Salient, he lost a leg and was taken to the British Red Cross Hospital at Netley, England.

This ended his service as a combatant officer but not his military career. After his discharge from the hospital, he went back to France again. For some time he acted as an interpreter for the Portuguese troops. On the French front early in 1918 on railway transportation work, he saw the last big break-through of the Germans to Amiens, and in four days, without relief, caught an infection that was nearly fatal.

Army work took him again to France after the Armistice; then later in England he had a most interesting duty as Assistant Secretary to the Battles Nomenclature Committee. This committee worked for 18 months in establishing for the British War Office an official nomenclature of the battles in 25 different areas in which British forces had fought during the first Great War. Working on this committee at the British Cabinet Offices were two Canadians, Lieut.-Col. T. M. McAvity and Major C. W. Erlebach. Most of the British generals of the last war came before the committee to give evidence, and Roberts met Lawrence of Arabia, Allenby, Ironsides, Robertson and many other leading British generals.

Roberts returned to civil life in 1921, after seven years with the Imperial Army. He came to Canada in 1925 and following a successful career as a sales and business executive with the Gestetner Company, took up Red Cross work two years ago.

Universal's New President

Hon. John Thomas Haig, new president of Universal Life Assurance Company, is a member of the Canadian Senate, having been appointed in August 1935.

He was born at Colborne, Ont., 1877, the son of Joseph and Elizabeth (Broatch) Haig, but came to Manitoba shortly afterward. He attended public school at Alexander, Man. From there he attended collegiate at Brandon and was graduated from Manitoba University in 1901.

J. T. HAIG

Senator Haig read law in the office of Colin Campbell K.C. and was called to the Manitoba Bar in 1904. He practised law for many years as a member of the firm of Pitblado, Hoskin and company, in fact from 1904 to 1929, in which year the partnership of Haig and Haig was formed of which he was the senior partner. He was created a K.C. in 1927.

In his business career Mr. Haig has served as president of the Security Construction Co., vice president of the Financial Corp. Ltd., in addition to his active connection with Universal Life. He has been also president of the Ontario and Western Land Co., and a director of the Ontario Equitable Life and Accident Insurance Co.

For many years Mr. Haig was a member of the Manitoba Legislature, to which he was first elected in 1914. He has also been a school trustee in Winnipeg on several occasions.

Mr. Haig is a member of the United Church and has served as a member of the board of directors of United College following church union. He is an enthusiastic curler and was one of the founders of the Strathcona Curling Club. He has been president of the Dominion Curling Association and is a past president of the Manitoba Curling Association. He has also acted as trustee for the Macdonald Brier trophy, emblematic of the championship of Canada. He was awarded the King's Jubilee Medal in 1935.

* * *

Veteran of Two Wars

In the last war Private Oscar P. Stensrud sailed overseas with the 1st Canadian Division. From February, 1915, to November, 1917, he was in the thick of the fighting in France. When he returned to Canada after the Armistice he had battle scars, a captaincy, and the Military Cross.

In the present conflict this six foot, 200-pound war veteran is also playing an important role. This time he is on the production end of the war effort. His appointment has just been announced as president and general manager of Trenton Steel Works, Limited, Trenton Industries, Limited, and Eastern Car Company, Limited. These plants, which are located in Nova Scotia, are now active in the production of munitions and other war materials.

Mr. Stensrud is a native of Halifax where he was born in 1892, the son of Magnus Stensrud. He was educated in the public schools of Halifax, was married in 1924 to Marie Fennessy of Newfoundland. They have two children, Wally, 14, and Carl, 12.

His business career started at the Halifax Shipyards, Limited, in 1920. After four years in the accounting department of that firm he went to Sydney where he became superintendent of general yards for the Dominion Steel and Coal Corporation. He has risen steadily in the employ of Dosco. In 1928 he became manager of the company's order department and in 1930 district representative of steel sales.

In 1932 he moved from Sydney to Montreal as superintendent of terminals for the Dominion Coal Company, a subsidiary of Dosco. In 1937 he was appointed assistant to the vice-president and in 1939 became general sales manager of steel sales for the Corporation.

In January of this year his appointment to his latest position as head of Dosco's Trenton subsidiaries was disclosed. The post was formerly held by Michael Dwyer, who has gone to a new federal war post.

This big, affable Haligonian has a reputation for getting things done. Those who know him say he will keep the plant humming in its important war assignment.

For diversion from business he plays golf and a little badminton. He is a member of the Kanawaki Golf and the Engineering Clubs of Montreal.

* * *

Sayings of the Week

"You never can answer a newspaper; it always has the last word." — *T. L. Church, M.P.*

* * *

"When I was called upon nearly two years ago, to be Prime Minister there were not many applicants for the job. Since then perhaps, the market has improved."—*Winston Churchill.*

* * *

"If he (R. B. Hanson, Conservative House Leader), would consult me before making his speeches, he would never make mistakes."—*Jean Francois-Pouliot, Liberal Member for Temiscouata.*

* * *

"Unless our entire population be subjected to some form of rigid discipline, unless we cease from this ludicrous toying with war whereby some of us are exerting every ounce of our energy to hasten the day of victory while others bask still in the Florida or California sun, we shall prove no match for our enemies."—*Rabbi Maurice N. Eisendrath.*

* * *

"If I had my chance to be alive at any time in all the history of the world I would pick today. For this is one of the really great moments in the life story of that strange creature called man. He is being forced to choose his path. There is not a single soul in all the world who cannot exert some influence on the course of history."—*Elmore Philpott, in his column, "As I See It."*

Other People's Views . . . . . .

The Canadian Editorial of the Week

Hokum Headlines

Family Herald and Weekly Star

No reputable Canadian daily newspaper prints lying headlines. Usually, each one, taken by itself gives a reasonable, if slightly exaggerated impression of what has happened. But taken altogether, and day after day, they often tend to leave readers with a dangerously false general impression of the truth.

It is this tendency which gives the poor public so many shocks and disillusionments. "The water's fine!" We all "come on in," and the water remains fine—until we find it running swiftly and find ourselves clinging desperately to a rock in the rapids!

That is the mental effect on most of us, of constant headlines, no single one of which is more than slightly over-rosy.

Such pages, if skimmed quickly, as daily newspaper editors reckon they will be, build up false confidence. False confidence means relaxed effort. Relaxed effort means defeat.

* * *

As Others See Us

Conscription of Wealth

Saint John Times Globe

One of the expressions often heard nowadays is "conscription of wealth." It sounds very fine. We think of wealth as a power. But how is wealth to be conscripted?

The Toronto Financial Post remarked: "It would seem to us that Ottawa has done a reasonably thorough job of conscripting the wealth already. Income taxes have been increased to sacrificial levels. New succession duties have been added by the Dominion to the formerly very heavy provincial levies. Taxes on the income of business have been multiplied several times by the increase in corporation tax and the imposition of the so-called 'excess profits' tax. If this is not effective conscription of wealth what is it?"

Possibly, however, it is total conscription of wealth that some of those who advocate it want. Perhaps they want to raid people's bank accounts, make a total capital levy, impound the people's stocks and shares—what about insurance?—and so impose state ownership of all corporations. Does anybody imagine this is practical? If the state taxes everything, what then? No wages would be paid in money. The people would have to be rationed and housed and clothed by the state, under some system such as was attempted and failed entirely in Soviet Russia. It does not work out.

* * *

Demountable Houses

Christian Science Monitor

The Financial Post of Toronto in an article outlining the housing programme inaugurated a few months ago by Wartime Housing used the word "demountable" as applied to war building, rather than "prefabricated," pointing out that methods used in erection of the main frame of the houses in standardized, preassembled sections are a specialized and partial adaptation of prefabrication systems tried out for many years.

Wartime Housing is building homes to meet the war emergency, and wishes to have units that can be utilized in some way after the war. Furthermore, building the house of standard sections or panels means that not only can they be unbolted rapidly and the material used elsewhere, but they can also be erected with great speed. Sections of houses can be replaced easily.

* * *

Hard on Retailer

Trail (B.C.) Times

The appeal to housewives to act as police for the new price ceiling order is galling to self-respecting merchants who are co-operating magnificently in the plan to keep down the cost of living and so prevent inflation.

The Financial Post, in a recent editorial, points to the injustice of this policing policy and declares that "businessmen, particularly retailers, will have their burdens increased by sincere, well-meaning, but misguided consumers who will see in every price fluctuation a criminal attempt to evade the law."

* * *

The Mail-box

Future of Wheat

Editor, The Financial Post

I have read with some interest and some feeling of discouragement your editorial on wheat in your issue of February 7. As I read your editorial you think that our only interest in wheat is whether or not we can use what we produce. I have no quarrel with that theory in spite of the fact that there was considerable criticism from a political point of view toward any suggestion to place production in line with consuming markets, but what are you going to do with this situation?

Kindersley constituency in Saskatchewan has lost 7,182, out of a population of 39,632, since 1931. Lake Centre has lost 8,357, out of 42,532. Rosetown has lost 8,137 out of 40,512. Wood Mountain has lost 8,268 out of 44,558. Assiniboia has lost 7,835 out of 41,036 and every constituency in the wheat-growing area in Saskatchewan has lost population. Your cold-blooded, dollars and cents editorial takes no account of what is being done to humanity in these wheat-growing areas where the parity price of wheat, as against prices of industrial products, is 57, and in addition to that the farmer is limited to marketing two thirds of his usual marketings.

If your financial editor will compare the Liverpool offerings f.o.b. Atlantic ports, as set out in the "Monthly Review of the Wheat Situation," published by the Bureau of Statistics, with the prices on the Winnipeg Grain Exchange, he can decide for himself whether something could or could not be done with respect to the demand for a parity price.

I agree that there is no necessity of producing more wheat than is required to fill present and reasonably anticipated market demands, but what about a decent price in comparison with other products for the wheat that is produced and required? What is going to happen to the industrial population of eastern Canada when war is over and the wheat areas are so impoverished that they cannot buy the peacetime production of eastern factories and what are you going to suggest should be done with respect to some hundreds of thousands of people who are engaged in an industry which is gradually, to use a mild term, being destroyed? What would you propose with respect to a territory that has been denuded of almost 20% of its population in the last ten years?

I regret that your editorial took no account of this situation. Have you ever read any of Mr. Peterson's articles in the "Farm And Ranch Review" of Calgary, where he speaks of the rural population feeding the urban population below cost, while the rural dweller in his turn has to buy from the urban dweller at cost, including union wages, plus profits, plus transportation charges all down the line?

What is happening to a balanced economy in Canada—and has The Financial Post any interest in a balanced economy as between the agriculturist and the industrial worker?

F. W. TURNBULL.

Regina.

* * *

U. S. Gold to the Rescue

Editor, The Financial Post:

One of the vital subjects discussed at the Pan-American conference was that of a stable international currency, based preferably on gold. For this purpose the United States is in an admirable position, possessing about 80% of the world's available gold.

For the past few years there has been oblique criticism of this policy of supporting gold by open market purchases, but the time is coming when praise for such far-sighted wisdom will be the theme. American gold holdings may rescue the world from currency chaos.

It is a certainty that continental European currencies will collapse at the end of the war. The millions of German marks which have been issued and circulated as a sort of fiat money, both within Germany and in the occupied countries, will have merely an arbitary value. When this time comes the U. S. A. will be the only country capable of stabilizing a large part of the world's money with the sure backing of gold. Thus the vast amount of precious metal which the U. S. A. has accumulated with such courage and persistence will be duly dispersed again.

For the good of the entire world it will have to be lent to central banks or governments at nominal interest for the rehabilitation of currencies in which the people have lost confidence. Gold is still the ancient talisman to fix other values, and as such its function in the world has no substitute. Thus in the era after the war the United States will reap the reward of her wisdom, and let us hope that we in Canada shall have found that the work of our miners has been of truly national importance.

Perhaps blinded by the smoke of universal war and immediate events, we are inclined to think of gold-mining as an industry that does not "fit." On the contrary it has complete correlation with our war effort, and is vital to both present and future. As the U. S. A. continues to purchase our precious metal it is of great importance in matters of exchange. For the future there is the American forecast of an international currency for the Americas, and the certainty that after the war is over gold will once more take its place in the restored finances of the world.

W.R.W.

Montreal.

* * *

Stop Me If . . .

Professor George Catlin tells a story of two Scots soldiers who, on their return from Dunkirk, were soberly discussing the future.

"Man!" said one, "Belgium and Holland are overrun by the Germans and France has given in. What'll happen if the English capitulate?"

"Well," replied the other, "I'm afraid it'll be a long, dour war."

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Scrap Iron is Vital and Scarce

Toronto Dealer Forecasts Half Million Ton Shortage This Year

Junk is no longer junk—particularly scrap iron and steel. Both are of very great importance and increasing scarcity. Without scrap iron and steel our factories would be unable to turn out tanks, guns or trucks in anything like the numbers and quantities that they have been. Without scrap iron and steel our shipyards, already handicapped by shortages of steel, would be made almost helpless.

The reason is not hard to find. Iron foundries and steel furnaces use either pig iron or iron and steel scrap. In 1940, Canada's iron foundries used far more scrap than they did pig iron; out of the combined total, 65.8% was scrap. Our steel furnaces did not use quite so large a proportion of scrap but here again 55% of the total was scrap.

Scrap is a problem only now beginning to be appreciated by the average Canadian and this is a problem too in which this same average Canadian can play an important part.

Canada is threatened with a serious shortage of scrap; in many individual cases, the shortage is already a real thing. In 1940 we imported 415,981 tons of scrap and steel, a record amount and far more than double the previous peak imports of 1928. Practically all of this imported scrap came from the United States.

But the U. S. itself is seriously concerned with a growing shortage of scrap for its own mills and Canada's ability to secure another half million tons from the U. S. this year may be questionable.

In past years, Canada exported scrap iron and steel but since the war started this business has practically disappeared.

Our 1940 consumption of 1.8 million tons of iron and steel scrap makes it an important primary material for the iron and steel industry. To replace this tonnage of scrap with an equivalent amount of pig iron would have required about 3.5 million tons of iron ore, most of which would have had to be imported.

500,000 Tons Short

Harry Lewis, Toronto dealer in iron and steel scrap, who has made a special study of this subject, estimates that in 1942 Canada will require around 500,000 tons more iron and steel scrap than is likely available from regular sources and present haphazard methods of collection. Mr. Lewis offers a plan which he claims can solve the trouble.

He recommends in brief:

Better organization and drive behind campaigns to collect scrap metals of all kinds. He recommends organization of scrap drives on municipal lines, headed by mayors, councils, boards of trade and other leaders. He suggests use of existing, and well organized charity appeals, of the schools and churches.

He would provide payment at regular rates for those who needed the money and, for those who desired to donate their scrap, collection and sorting service. He suggests payment in some cases in war savings certificates; in others in cash. He would have committees represent and organize individual trades and businesses. All would have as their driving force a clear understanding of Canada's critical need for iron and steel scrap to keep our output of war materials on their current upward trend.

He recommends that Canadian business firms use their connections in other countries, South America in particular, to get for Canada some of the scrap available there. Britain thought scrap supplies important enough to allocate precious shipping space to its transport.

Has To Be Sorted

Mr. Lewis makes clear that one cannot donate a worn-out automobile to the government and expect it to be dumped directly into a steel furnace, leaving the donor with a pleasant feeling of having done something worthwhile for his country.

An automobile has in it steel scrap, iron scrap, wood scrap, copper scrap and rubber scrap. None of this can be used without sorting and preparing. Unless the light metal of an automobile body is compressed with huge hydraulic presses into a solid package, it would merely burn up in a steel furnace, leaving practically nothing behind. Iron scrap cannot be used at the same time as steel scrap; copper scrap should not be mixed with rubber or iron. Canadian railroads have 60 different classifications into which they sort their iron and steel scrap.

Iron and steel scrap comes from many different sources. Foundries and steel mills salvage a lot of their own from their manufacturing operations. Industrial plants are almost universally careful to collect and sort scrap of all kinds. Then there are miscellaneous sources, householders; farmers, small shops and businesses throughout the country.

Scrap Dealers' Job

In this industry dealers play a large part. Even iron and steel plants leave preparation of their own scrap to properly equipped dealers. Cast foundries can only use cast iron that is broken up. Steel furnaces can only use pieces five feet long and 18 inches wide. Electric furnaces can only use pieces not more than two to two and one-half feet long.

Scrap iron dealers who have yards purchase from peddlers, industrial firms and other sources. The material is first sorted as to steel, cast iron, copper or other metals. Later these major groups may again be broken down according to chemical analysis. If the steel is too large, it is cut into useable pieces with acetylene torches or alligator shears. If cast pieces are too large they are smashed by dropping a heavy iron ball, weighing perhaps a ton, on them.

Prices Pegged

Since Feb. 12, 1941, prices of iron and steel scrap in Canada have been pegged by government order. These pegged prices are based on grade. No. 1 heavy melting scrap steel is pegged at $18 a ton, delivered to the steel mills at Hamilton or Montreal, for Ontario and Quebec. From this has to be deducted the freight from wherever the scrap is collected to the steel mill, leaving the balance as the most that the dealer can get for his material.

Scrap iron is heavy and freight adds a lot to the cost of getting it to the foundry or steel furnace.

Volume of scrap which could be collected in the prairies for instance, is exaggerated trade sources indicate.

NEW SALES CHIEF

Bradford Ellison has been appointed director of sales and advertising for all the Canadian operating subsidiaries of the Distillers Corporation-Seagrams Ltd. Mr. Ellison was vice-president and general sales manager of Nestle's Milk Products (Canada) Ltd., from 1918 to 1938, was director of five other Canadian companies. He was a commissioned officer in the Navy during the last war.

The Week in Business

Highlighting changes in business figures this week is the second successive decline in the Dominion Bureau of Statistics cost of living index. At 115.4 this index for January has slightly more than cancelled out the rise from October last year and shows a gain of 6.9 points from a year ago. The first two months of price control somewhat more than halted the upward trend of this index evident since the war started.

Employment in both manufacturing and in all industries continues to rise. December index for manufacturing at 188.4 is up almost a point from November and over three points from October.

Payroll index, compiled by Canadian Bank of Commerce, is nearing a level which would double that of 1937.

Dominion revenues and expenditures for January this year show that expenditures last month at $145.2 millions continuing the upward trend and far above the $80.2 millions of a year ago. War expenditures alone were $25 millions higher in January than total Dominion government revenues.

Raw rubber imports at 6.5 million lbs. for December were less than half those of November. For all of 1941, Canada imported 31.1% more raw rubber than was brought in during 1940.

Crude oil imports in December were far above the previous December and brought last year's total to a level of 10.2% above 1940.

MONTHLY INDICES

	Jan.	Dec.	Nov.	Oct.	Year Ago
The Financial Post business index	....	°160.9	164.8	168.0	152.9
National Income, D.B.S.•	....	456.4	442.3	440.9	427.7
■Dom. war expend.•	145.2	124.4	120.0	111.2	87.7
■Dom. total revenue•	120.5	111.5	108.4	104.7	80.2
■Dom. total expend.•	184.6	168.0	170.3	165.8	124.9
Retail sales index no.	....	147.2	138.1	138.0	130.9
Dept. store sales index no.	....	145.8	137.6	136.5	132.2
Wholesale sales index no.	....	136.9	147.4	170.5	125.0
Country store (% change pr. yr.)	....	+14.4	+5.0	+8.1	+3.8
Divd. payment index♠	121.3	120.3	119.3	118.5	119.5
COST OF LIVING—					
■D.B.S. index	115.4	115.8	116.3	115.5	108.3
EMPLOYMENT INDEX Nos. D.B.S.—					
■All industries	....	168.8	167.6	165.8	139.1
■Manufacturing	....	188.4	187.5	185.0	144.7
■Payroll index (a) (1937=100)	....	193	186	189	....

	1941-42	1940-41	Jan. 1 to date 1941-42	Jan. 1 to date 1940-41	% Change
RAILWAYS—					
■Carloadings (week Feb. 7)	62,235	52,587	358,801	304,435	+17.8
■C.N.R. gross (week Feb. 7) $	6,439,000	4,905,000	32,406,000	25,832,000	+25.4
■C.P.R. gross (week Feb. 7) $	4,507,000	3,353,000	23,167,000	18,038,000	+28.4
C.N.R. net revenue (Dec.) $	6,260,450	6,273,550	66,608,340	45,007,411	+48.0
C.P.R. net revenue (Dec.) $	5,090,750	4,806,206	45,957,536	35,639,438	+28.9
IRON AND STEEL—(December)—					
Pig iron production (tons)	148,377	110,477	1,364,334	1,168,894	+16.7
Steel ingots and castings prod. (tons)	218,611	188,420	2,411,887	2,014,172	+19.7
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (Dec.)	3,875	8,775	83,650	101,789	—17.8
Factory output .. (Dec.)	6,651	11,653	94,045	110,019	—14.5
Trucks and Buses:					
Domestic sales .. (Dec.)	2,214	2,145	34,432	28,763	+19.7
Factory output .. (Dec.)	13,662	11,711	176,386	112,999	+56.1
Financing:					
Used (Dec.) $	1,709,776	2,650,533	48,882,297	41,762,396	+17.0
New (Dec.) $	1,390,091	2,841,821	34,809,863	33,473,397	+4.0
CONSTRUCTION—					
Contracts awarded (Jan.) $	12,880,900	26,579,800	......	......	—51.7
Cement prod., bbls. (Nov.)	663,332	643,522	7,987,357	7,271,232	+9.8
AGRICULTURE—					
Flour prod., bbls. (Dec.)	1,175,267	1,076,132	20,069,445	16,254,921	+23.5
■Flour exp., bbls. (Jan.)	750,363	354,818	......	......	+111.7
■Wheat exp., bush. (Jan.)	11,144,808	4,880,080	......	......	+128.3
Cattle sales▲ (Jan.)	110,276	83,707	......	......	+31.7
Hog sales▲ (Jan.)	603,915	532,259	......	......	+13.4
SEA FISHERIES—‡					
Catch cwts.▲ (Nov.)	934,600	907,100	10,421,100	10,487,800	—0.6
Landed value (Nov.) $	1,438,200	886,000	24,489,030	17,122,300	+43.0
NEWSPRINT—					
■Production, tons .. (Jan.)	311,904	261,298	......	......	+19.4
Exports (Dec.) $	14,042,000	12,394,000	154,356,000	155,877,000	—0.9
MINING AND OILS—					
Coal prod., tons (Dec.)	1,794,973	1,671,095	18,155,447	17,566,884	+3.3
Coal import, tons .. (Dec.)	1,833,483	842,407	21,808,861	17,546,107	+24.3
Gold rec., fine oz. (Dec.)	401,716	415,065	5,081,480	4,965,128	+2.3
■Crude oil, imp. gals.† (Dec.)	126,319	77,430	1,635,580	1,484,537	+10.2
ELECTRIC POWER OUTPUT—(December)—					
Total monthly, 1,000 kw.h.'s	3,220,800	2,584,341	33,445,360	30,080,248	+11.2
FOREIGN TRADE—♦					
Imports (Dec.)	$125,779,166	102,302,476	1,448,685,117	1,081,950,719	+33.9
Exports (Dec.)	$152,091,112	98,710,660	1,640,454,541	1,193,217,592	+37.4
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. (Dec.)	139,542	190,249	2,282,132	2,451,638	—6.9
■Shoes, prod., pr. (Dec.)	2,736,108	2,044,725	32,646,736	26,261,088	+24.3
Cotton consump., lb. (Dec.)	16,150,612	16,182,308	198,389,402	191,300,836	+3.7
■Raw rubber imp. lb. (Dec.)	6,486,397	16,321,954	149,172,052	113,773,959	+31.1
Raw rubber imp. lb. (Nov.)	5,506,997	11,311,687	142,685,655	97,452,005	+46.4
Cigarette cons., No.† (Dec.)	720,022	574,837	8,581,739	7,571,841	+13.3
Sugar manufactured .. lb §	90,187,029	87,221,405	1,199,719,338	1,137,792,237	+5.4
FINANCE—					
Bank debits† (Dec.) $	3,686,546	3,208,348	39,242,957	34,437,475	+13.9
Bond sales† (Dec.) $	92,473	329,809	2,360,181	2,293,415	+2.9
Life insurance sales (Dec.) $	47,172,000	33,727,000	428,915,000	365,217,000	+17.4

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■.
†000's omitted. §For four weeks to Dec. 31. ♦Gold excluded.
•Millions of dollars. °Final. ♠Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce.

Canada Now Under U. S. Wing On War Material Priorities

Canadian sources tell The Financial Post that the recently announced placing of Canadian needs on the same priority basis by the United States as is done for requirements in that country largely gives formal application to a policy that had been practised unofficially for about a month past.

Canadian companies purchasing materials or manufactured goods in the United States for war or civilian use may apply for priority ratings in the same way as would similar companies in the United States. Priority ratings on orders addressed to American companies, however, will only be granted if the materials or goods are not available in Canada.

Canadians make application through the Department of Munitions and Supply at Ottawa. This Department forwards the application to Washington. If priority rating is approved it may be applied by the Canadian company in accordance with the terms applicable. To help handle Canadian applications, the U. S. has appointed a priorities specialist who is to be located at the office of the Department of Munitions and Supply at Ottawa. Canadian applications should be addressed to this U. S. specialist at the Munitions and Supply office.

On the Record

War Savings Certificates are now being issued at the rate of 45,000 a day compared with 15,000 a year ago. 11,600,000 certificates were issued during 1941 by the Bank of Canada.

422,000 men have enlisted in the three armed services; 550,000 men and 75,000 women are working in factories on war production.

529 of 1,286 parts of the 25-pounder field gun are made by subcontractors in 63 small plants scattered through Quebec and Ontario.

Coal and coke consumers are urged to take advantage of the present supply situation and build up their stock piles as a protection against possible shortage.

Exports to Egypt in 1941 totalled $79 millions as compared with $8 millions in 1940.

Use of tinfoil in the packaging of cigarettes is to be prohibited.

Use of brass or any non-ferrous metal is prohibited in making bicycle license plates, metal coat and hat checks, dog license tags, key tags, and metal tokens.

Synthetic sponges are now used by the Army, Navy, and Air Force owing to a shortage of natural sponges. An order for 5,000 has been placed by the Department of Munitions and Supply.

Caps for beverage bottles may no longer be made of any metal containing tin. Thin lacquered steel will probably be used by the crown cap makers.

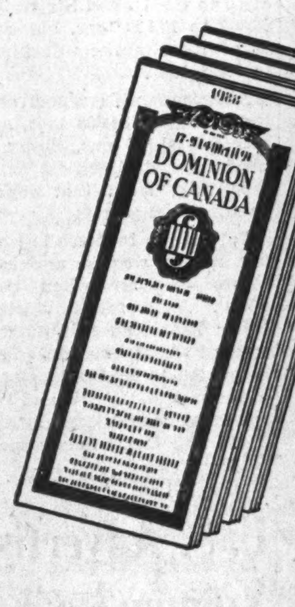
Campbell Calder, law firm, Little and Calder, London, appointed enforcement counsel for the western Ontario region of the WPTB.

Mrs. Frederic R. Taylor, Rothesay, elected chairman of the women's advisory committee set up to relay suggestions to the WPTB and assist in carrying out the price ceiling policy.

F. S. Grisdale, Olds, Alberta, appointed Deputy Administrator of Foods.

George Wilson, Administrator of Fresh Fruits and Vegetables to have five special advisers; **W. J. Tawse,** Montreal; **M. M. Robinson,** Toronto; **Waldo Walsh,** Halifax; **T. H. Shield,** Toronto, and **G. Townsend,** Guelph.

GOING UP . . !



The value of Canadian farm produce exported to Great Britain in the year before the war totalled $50,000,000.

This year, the value will be more than $180,000,000.

In other words, rural Canada is now the No. 1 food supply house for the Empire's war-time needs.

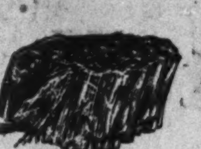
That is why you must pay more attention to the farm market today than ever before . . . Remember, the greatest portion of it can be reached through ONE publication — the Family Herald and Weekly Star . . . more than 300,000 farm homes every week.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

ARE YOU STUCK?

We can handle still more war work — possibly make the part you need. Equipped to handle anything in steel — large or small. Can we help you?

BORDER CITIES WIRE and IRON WORKS
WALKERVILLE, ONTARIO

the "Magic  Mineral" is

IN THE NAVY NOW!

Buy Victory Bonds

Illustrations by courtesy of Ealing Studios, England, from the motion picture, "SHIPS WITH WINGS".

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• When ships are shelled . . . when planes crash . . . when towns are blitzed . . . Canadian asbestos goes into action on the double, to save lives and property. Clad in garments woven from this fireproof mineral which the ancients called "magic", courageous firefighters can brave the fiercest flames. Canadian Johns-Manville, operating the world's largest asbestos mine and mills—at Asbestos, Que.—is on the job night and day, seven days a week, to provide more and still more of these modern "flame suits" for active service on the fighting fronts. And J-M's Canadian factory is going "all out" on many other products which, directly and indirectly, serve the war effort.

BT-2

JOHNS-MANVILLE JM PRODUCTS
CANADIAN JOHNS-MANVILLE
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TORONTO MONTREAL WINNIPEG VANCOUVER

BUY the new VICTORY BONDS TO INSURE CANADA'S FUTURE

...FREEDOM...SECURITY...HAPPINESS

YOUR purchase of the new Victory Loan Bonds will help to provide the Dominion of Canada with money to buy the tools of war. Your funds will thus provide the planes, the tanks, the guns and ships with which victory will be won and peace and security assured.

Besides, Victory Bonds are a good investment—the best there is. Your money will be returned to you at maturity and, meanwhile, you will receive interest regularly twice a year in cash.

Buy the new Victory Loan Bonds to the limit of your ability. Bonds are available in denominations of $50.00 up and may be purchased on the instalment plan. Give your order to the Victory Loan salesman who calls on you. Or place it in the hands of any branch of any bank or give it to any trust company. Or send it to your local Victory Loan headquarters. Or you can authorize your employer to start a regular payroll savings plan for you.

METROPOLITAN LIFE INSURANCE COMPANY
(A MUTUAL COMPANY)
FREDERICK H. ECKER, Chairman of the Board
NEW YORK
LEROY A. LINCOLN, President
CANADIAN HEAD OFFICE—OTTAWA

Newsprint Use Sets Record

Capacity to Take Care of All Demands, Says R. S. Kellogg

By JOHN E. LANGDON

MONTREAL.—There is enough newsprint-manufacturing capacity in North America to supply all visible domestic and foreign demands if it is allowed to operate, according to R. S. Kellogg, secretary of the News Print Service Bureau.

The outlook for newsprint paper in 1942, says Mr. Kellogg, cannot be discussed separately from the world war programme. Newsprint paper is less likely to be affected by that programme than are some other grades of paper. A good deal of public control has already been imposed on some grades. If, when and how such control will be imposed upon newsprint is still a matter of speculation, he adds, but if the government decides that such control is necessary, it is likely to be imposed regardless of opinion in the industry.

Set New Mark

Newsprint paper production in North America really reached a new high mark in 1941, Mr. Kellogg says in his survey, though this does not appear on first glance at the statistics. The output of 4,786,000 tons was 158,000 tons less than the record output of 4,944,000 tons in 1937. However, he points out, the 1937 production was altogether abnormal and not related to consumption during the same 12 months. A large tonnage went to increase publishers' stocks in 1937. This, together with a smaller consumption and decrease in overseas exports in 1938, resulted in a decrease of 1,231,000 tons in 1938 production.

A true comparison of 1941 production, comments Mr. Kellogg, is that the average production of 4,329,000 tons in 1937-38 would give the 1941 total an edge of 457,000 tons over that of three to four years earlier. The most accurate statement that can be made, he says, is that output of newsprint paper in North America in 1940-41 was at an all-time high for a 24 months' period.

The newsprint mills began 1942 at practically capacity operation, either upon newsprint or other products which they are capable of manufacturing. This is also true of other paper mills.

The 4,786,000 tons of newsprint produced in North America in 1941 was in round numbers made to the extent of 72% in Canada, 21% in United States and 7% in Newfoundland.

Shipments from the mills during the year exceeded production by 37,000 tons, with a corresponding decrease of mill stocks, as of Dec. 31, 1941. As of that date mill stocks were the lightest of any Dec. 31 since 1937.

The publishers reporting to the ANPA used, in round numbers, 2,947,000 tons of newsprint in 1941, an increase of 91,000 tons or 3.2% over their consumption in 1940.

Gain in Consumption

This gain in publishers' consumption was better than it seemed would be the case earlier in the year, since in June and in September there were no increases over the same months in 1940 and in May and October the increase was only 1%. December came along with the largest monthly gain of the year—7%—due to the great demand for newspapers following the official entry of the United States into World War II. Papers contained more news and circulations jumped, temporarily at least.

But the increase in consumption reported by the publishers does not tell the whole North American newsprint story. The production of 4,786,000 tons plus 3,000 tons imported from overseas early in the year and the known decrease of 37,000 tons in mill stocks make a continental total of 4,826,000 tons of newsprint which went somewhere. Using industry figures because of the lack or insufficiency of official United States data, the following computation appears reasonable:

North American Newsprint, 1941

	Tons
Supply:	
Production	4,786,000
Overseas imports	3,000
Decrease in mill stocks	37,000
Total	4,826,000
Distribution:	
U. S. overseas shipments	25,000
Newfoundland shipments	129,000
Canadian shipments	488,000
Canadian domestic	197,000
Newfoundland domestic	1,000
Increase in publishers' stocks	(?)56,000
United States consumption	(?)3,930,000
Total	4,926,000

More Diversified Use

Lacking information from Canadian publishers as to their consumption, it is necessarily assumed that it was approximately in the same volume as Canadian domestic shipments. The estimate of 3,930,000 tons United States consumption in this calculation is 200,000 tons more than the consumption in 1940 and 100,000 tons more than the previous high total of 3,830,000 tons in 1937. If, however, the newspaper publishers in the United States, as shown by their reports, used only 3.2% more newsprint than in the preceding year, there was evidently a larger increase in paper used for other purposes than strictly newspaper publishing. This is a reasonable assumption because it is known that the strong demand for paper of every kind and the threatened shortage of some kinds have led to a greater use than normal of newsprint outside the printing field. The best estimates are also to the effect that around 100,000 tons of standard newsprint paper were used last year in the production of publications of the shopping news type. This is not an insignificant item.

Notwithstanding last year's record-breaking tonnage consumption of newsprint paper in the United States which occasioned a 2.4 pounds per capita increase over the preceding year, the 1941 per capita of 59 pounds was slightly below the corresponding figure in 1937 and 3.2 pounds below the all-time high reached in 1929.

Kellogg on Outlook

In discussing the outlook for this year, Mr. Kellogg states there were 40 cases of newspaper suspensions in 1940-41 and 20 cases of newspaper mergers, according to the records of Editor and Publisher. On the other hand, the disappearance of several small newspapers is more than compensated for in the newsprint consumption field by the appearance of a new metropolitan daily like the Chicago Sun, whose requirements are large.

He adds: "Another factor of some importance in the quantity of newsprint consumed is the evidence that less rotogravure paper will be used and that its place will be taken to a considerable extent by newsprint of slightly better grade than the general standards—but still newsprint.

"With the general tightness in the paper situation somewhat more newsprint may also be taken in 1942 for other purposes than newspaper publishing. These items are all on the good side so far as the manufacturers of newsprint are concerned. If there is an increase in the total use of newsprint in 1942, it will probably be due to these factors.

Higher Transport Costs

"On the less cheerful side is the practical certainty that freight rates will be horizontally advanced between 5 and 10% around March 1, thus adding materially to the delivery costs of paper. There is also the more distant prospect that whatever income may be earned by corporations and individuals in 1942 will thereafter be taxed perhaps 30% more than at the present time.

"There is no way of forecasting how much production costs may be increased by the end of 1942. The only certainty is that the longer the war goes on, the more they will go up, despite all governmental efforts to hold down prices. The best that can be hoped for in that respect is that price increases will be moderate and gradual rather than spasmodic and excessive. The gap between newsprint and general commodity prices is widening rapidly."

Newsprint Supply Rises in January

North American Mills Add 29,080 Tons to Stocks

Stocks of newsprint paper held by all North American mills at the end of last month totalled 229,837 tons, an increase of 29,080 tons during the month and 32,852 tons over that reported the end of January, 1941.

Newsprint Stocks on Hand
(All N. A. Mills)

	Jan. 31/42	Jan. 31/41
Canada	143,477	170,275
Newfoundland	74,933	76,215
United States	11,427	16,199
Total	229,837	262,689

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at

Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

January Newsprint Output Sets Record for Month

From Our Own Correspondent

MONTREAL.—Newsprint production in Canada last month was the highest for any January in the history of the industry. According to the News Print Service Bureau and the Newsprint Association of Canada, production in January totalled 311,904 tons, as against 261,298 tons for the same month last year. This represents an increase of 19.4% over the year.

Shipments also were well above the seasonal level, amounting to 291,998 tons, compared with 243,394 tons in January 1941, an advance of 48,604 tons, or 20%.

Shipments to the United States last month, totalling 257,476 tons, record an increase of 34% over those a year ago. Shipments to Canadian publishers at 17,702 tons were up 21.3%. On the other hand, deliveries to overseas customers at 16,820 tons were 54.1% under those reported in the first month of 1941.

Newfoundland's production last month totalled 28,622 tons and shipments 23,289 tons. This represented an increase of 11.3% and 22.5%, respectively, from the January, 1941 level.

Shipments of Newfoundland newsprint to the United States increased 66.8% to 18,170 tons, but shipments to overseas markets declined 73.6% to 5.054 tons.

American mills report an output last month of 84,628 tons, and shipments of 80,787 tons. Shipments and production declined 4% and 5% respectively, from that reported in January last year.

Part of the increase in production last month was in anticipation of shipments later when navigation opens. As a result, stocks of all North American manufacturers increased 29,080 tons in January, and amounted to 229,837 tons at the end of the month. In 1941 and 1940 there were corresponding increases of 25,095 and 13,593 tons respectively.

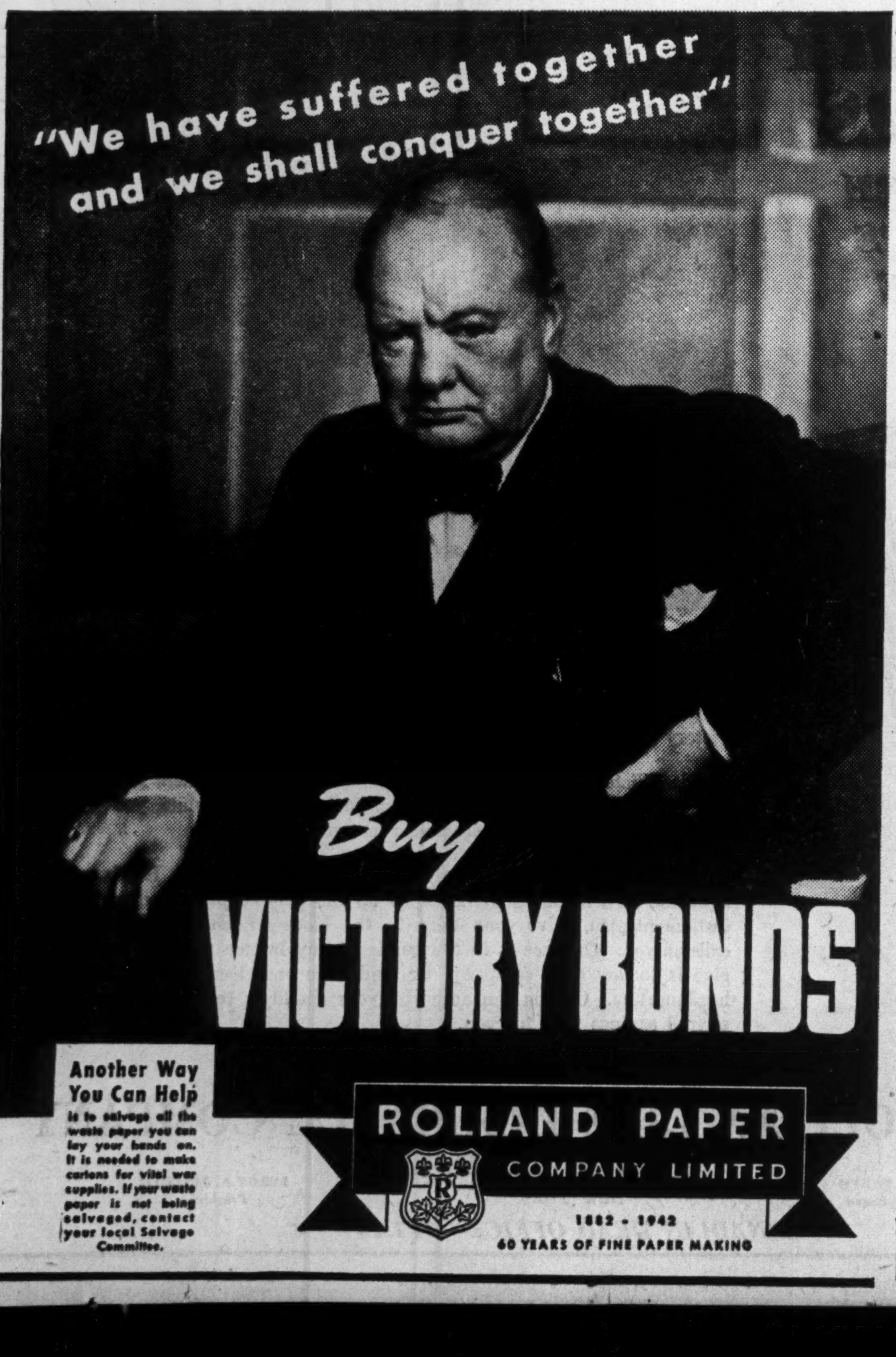
U. S. Advertising Volume Up 3.5%

From Our Own Correspondent

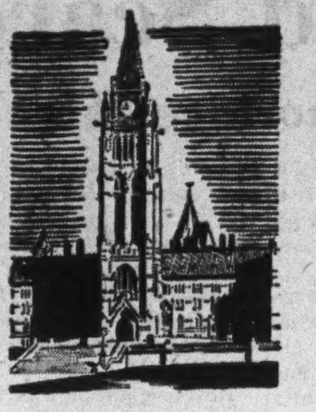
MONTREAL. — Total newspaper advertising linage in the United States, based on Media Records compilations for 52 cities, and published by Editor and Publisher, was 1,313 million lines in 1941, an increase of 3.5% over 1940.

As the volume of advertising largely determines the size of newspapers, it is interesting to note that the increase of 3.5% in advertising linage was approximately the same as that for the estimated increase in consumption of newsprint paper.

Retail advertising for the past 12 months shows an increase of 4.6%; departmental store, 4.1%; general, 2.9%; financial, 5.4%. Automotive advertising, on the other hand, declined 9%.


"We have suffered together and we shall conquer together"
Buy
VICTORY BONDS
ROLLAND PAPER
COMPANY LIMITED
R
1882 - 1942
60 YEARS OF FINE PAPER MAKING

Another Way You Can Help is to salvage all the waste paper you can lay your hands on. It is needed to make cartons for vital war supplies. If your waste paper is not being salvaged, contact your local Salvage Committee.



AS I SEE IT...

BY *The Honourable James A. MacKinnon*

MINISTER OF TRADE AND COMMERCE

AS I SEE IT we must all of us play our proper part through this period of struggle and its aftermath, to help build a new world, a world in which all decent people can live and work out their individual and national destinies in peace, mutual tolerance, understanding and good-will. But even to voyage in the direction of this better state of things requires a reliable compass and a true chart. Fortunately, we are already provided with the guiding points and principles by which we, as free Canadians in a brotherhood of free nations, can steer a course towards the new world which we are hoping will be established.

Those practical points and principles are to be found embodied in the Atlantic Charter, that historic document to which our Prime Minister has so forcefully directed our attention. On the eight major points of that declaration of faith are based the aspirations of free people everywhere for a better future. This Charter sets forth the essential conditions under which all nations will share new hope in the post-war reconstructed world.

It is significant to note that one of these eight major points emphasizes the importance of the part to be played by international trade in the world of tomorrow. The fourth enumerated point calls for the equal enjoyment, by all nations, of world trade and those raw materials needed for prosperity.

Three other points have a direct relationship to this cardinal principle of free trade. The first, which declares there shall be no aggrandizement; the fourth, which insists upon a peace assuring safety and tranquility the world over; the seventh, which assures the freedom of the seas. These are, in fact, the basic conditions which must prevail if international commerce is to flourish to the advantage of all.

I have always felt confident of the vital part which trade could play in bringing nations together in closer understanding and appreciation of the contribution each could make to the general good. That feeling of confidence has been greatly strengthened by the experiences of my recent trade mission to South America. That tour was part of a program adopted by your Government to prepare Canada for the inevitable task of adjusting our national economic structure to the needs of peace. Your Government has in this way been laying the foundations for export trade which is indispensable to any such adjustment. Favourable treaties have been successfully concluded, others will be signed. Facilities for developing our foreign trade are in existence. The Government is doing its part, it will be up to Canadian business men to cultivate the increased markets which have been opened to them.

Trade was once regarded, in some misguided quarters, as a form of economic warfare and as a source of military conquest. Fortunately, that type of thinking has long been out-dated. Trade is not a war but a friendly exchange of goods. It is constructive, not destructive in character, and depends by its very nature upon peaceful conditions for its full development.

The Atlantic Charter underlines the importance of international commerce in the post-war world. When peace comes, Canada will meet the challenge of friendly competition for overseas markets. Through the intelligence, enterprise and vision of Canadians, this country will make its full and proper contribution to the stability and progress of the world, once the forces of evil have been forever defeated.

James A. MacKinnon
MINISTER OF TRADE AND COMMERCE

★ This article is the fourth of a series, by Canadian legislators, on matters of vital World and National interest. This series will be published in newspapers across Canada; the next to appear on March [illegible], followed by others on alternate weeks thereafter.

This space is donated to Canada's United War Effort by the Hull Steel Foundries Limited

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SEVENTY-FIRST ANNUAL REPORT
OF
THE ONTARIO LOAN AND DEBENTURE COMPANY

Presented at Annual Meeting Held in London, Ontario, February 11th, 1942

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31st DECEMBER 1941

Provision for Dominion Income Tax for 1941, payable April, 1942	$ 135,000.00	Balance brought forward from previous year	$ 109,889.28
Transferred to Benefit Fund for Employees	5,000.00	Net Earnings for the year ended 31st December, 1941, after payment of Provincial and Municipal Taxes, Interest on Deposits and Debentures, Expenses and Charges and meeting all known losses	340,578.97
Usual Dividends paid	200,000.00		
Balance carried forward to 1942	110,468.25		
	$ 450,468.25		$ 450,468.25

FINANCIAL STATEMENT FOR YEAR ENDED 31st DECEMBER 1941

ASSETS

Cash on hand and in Banks			$ 495,621.07
Cash with and securities of Loan and Trust Companies of Canada			412,464.98
Government and Municipal Debentures			3,512,576.80
			$ 4,420,662.85
Loans on Stocks and Bonds		$ 20,548.40	
Mortgages—			
Principal	$11,973,916.53		
Interest	73,466.93		
		12,047,383.46	
Real Estate held for Sale		495,395.08	
Agreements for Sale		177,461.38	
Office Premises		100,000.00	
			12,840,788.32
			$17,261,451.17

LIABILITIES

To the Public:		
Deposits		$ 3,897,815.29
Debentures		8,633,373.09
Reserve for Taxes		161,926.43
Other Liabilities		7,868.11
		$12,700,982.92
To the Shareholders:		
Capital	$2,000,000.00	
Reserve Fund	2,400,000.00	
Quarterly Dividend payable 2nd January, 1942	50,000.00	
Balance carried forward	110,468.25	
		4,560,468.25
		$17,261,451.17

As Sterling Debentures falling due during the year were paid the total of debentures outstanding in Great Britain decreased by $209,921.53. Currency Debentures increased by $166,431.97, and Deposits show an increase of $427,108.66.

The improving trend in mortgage payments so apparent in 1940 has continued. Throughout 1941 mortgage repayments were very satisfactory, and a substantial volume of loans to new home owners was necessary to maintain the total of mortgage investments which shows the moderate increase of $180,711.80.

Your Directors record with deep regret the death in September last of Mr. Edward E. Reid, a very highly valued member of the Board since 1932.

The vacancy on the Board was filled by the appointment of Mr. J. Edgar Jeffery of this city, the President of The London Life Insurance Company.

BOARD OF DIRECTORS:

ARCHIBALD McPHERSON, President
THOMAS H. MAIN, Vice-President
J. McCLARY GUNN
O. ROY MOORE
JAMES B. ORR
J. EDGAR JEFFERY

Manager: Thomas H. Main
Assistant Manager: Joseph P. Dewan
Accountant: F. Earl A. McKellar

Auditors: A. G. Calder, F.C.A. George S. Jewell, C.A.
Solicitors: Jeffery & Jeffery

At the annual meeting of shareholders held on the 11th February, 1942, the Seventy-first Annual Report as above was adopted. The Directors were re-elected and the Auditors reappointed. At a subsequent meeting of the Directors, Mr. Archibald McPherson was re-elected President and Mr. T. H. Main Vice-President of the Company.

OFFICES: DUNDAS ST. AT MARKET LANE, LONDON, ONTARIO

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Dom. Steel & Coal

What is the dividend situation in regard to the class B shares of Dominion Steel & Coal?

Dominion Steel & Coal Corp. class B shares are the object of considerable speculative interest at all times. There had been some expectation that dividends on this stock would be forthcoming but at the last annual meeting the president pointed out that in spite of improvement in the company's working capital position, expanding operations had still to be financed by bank loans. Operations of the company's various interests are likely to be at, or near, capacity for the duration of the war. Substantial improvements are being carried out with the aid of government financial assistance. It appears that investors are reluctant to discount such conditions of high activity directly due to war work, perhaps because of a fear of the post-war adjustment.

Canadian Dredge

Some opinion on the outlook for Canadian Dredge & Dock would be appreciated. Is it doing any shipbuilding?

Canadian Dredge & Dock Co. has only received relatively small contracts for shipbuilding to date. The company's depot at Kingston is a small one and has been used for repair work exclusively for the company's own fleet in recent years. In the spring of 1940 the Dominion government suspended contracts held by the company in Ontario as a war economy measure. The result was a difficult year and a loss of $12,511 in 1940. For the year just closed the company has received some relatively small contracts from the Dominion but it is not thought these were enough to much more than carry operations and overhead. This condition appears likely to continue for the duration of the war, unless the St. Lawrence waterway project is carried out, in which case the company could expect to get a substantial amount of business. Its financial position is good and it appears able to carry on for a relatively extended period but resumption of dividends hardly seems an immediate prospect.

Anglo-Can. Tel.

How do you account for the lower prices on Anglo-Canadian Telephone securities?

Anglo-Canadian Telephone Co. is a holding company which, through its subsidiaries, owns telephone systems in British Columbia and the Dominican Republic and is interested in the Philippine Long Distance Telephone Co. In 1940 the company reported 70 cents a share earned by the class A stock and paid 60 cents a share in dividends. For the past three or four years, earnings have covered the 60 cents a share dividend by a rather narrow margin. Currently, it is probable that losses to the company's interest in the Philippines are a factor in lower prices. The major part of its income, however, comes from British Columbia.

Lake St. John

How are Lake St. John Power & Paper Co. earnings as affecting the 5% debentures? What is the 1942 outlook for this company?

Lake St. John 5% debenture interest requirements were earned 5.14 times before depreciation and 1.99 times after this charge in 1941, approximately the same coverage as in 1940. Interest on these debentures is now a fixed charge. Outlook for the current year is that production will be well maintained at around last year's levels, thus holding promise of reasonably good earnings once more.

Can. Fairbanks Morse

Canadian Fairbanks-Morse preferred seems to be a neglected stock to me. Is there any explanation for this?

Preferred stock of Canadian Fairbanks-Morse Co. is listed on the Montreal Stock Exchange but very inactively traded. It is this fact, rather than the company's record, which accounts for the small amount of attention paid to its stock as an investment. Dividends on this preferred stock have been paid regularly since 1927 and the company has paid amounts varying from 50 cents to $1.50 a share on its common in the past few years. It can be expected that the company is exceedingly busy as a result of wartime demand for its products. These include scales, valves, oil burners and other items, while the company acts as a sales agent for internal combustion engines, electric motors and equipment and similar items. In some of its lines, it is probable that priorities are interfering with production but it is thought that wartime demand has largely offset this.

Brown Co.

What do series B bondholders get out of the recent Brown Co. reorganization, please? How does this differ from the series A distribution?

Under the plan of reorganization for Brown Co., which is now effective, the holder of each $1,000 series B 5½% first mortgage bonds of the old company received the following:

$600 in principal amount of general mortgage, 5% cumulative bonds, due Dec. 1, 1959; voting trust certificates for 6½ shares of new $6 cumulative convertible preferred stock, $100 par; voting trust certificates for 28 shares of new common stock; $1.25 cash and a voting trust certificate for 1/10 share of new preferred stock.

Holders of series A 5½% bonds of the old company received the same with the exception that they get $1.67 in cash and a voting trust certificate for 1/20 of a share of new preferred stock in place of the $1.25 in cash and voting trust certificate for 1/10 share of new preferred which the series B get.

Can. Northern Power

What is the earning and dividend position of Canada Northern Power now?

Canada Northern Power Corp. reduced its dividend last year from 25 cents a share quarterly to 15 cents a share. This is the direct result of lower earnings as the company reported 97 cents a share earned on its common in 1940, compared with $1.89 in 1939. For last year it appears that net earnings, before income and excess profits taxes, just about held their own, as compared with 1940. This indicates that, because of higher taxes, earnings will again show a drop. Whether this will be sufficient to threaten the current 60 cents a share annual rate being paid is not known. But it is perhaps significant that improvement has been shown in monthly earnings since last July.

WAR CALLS FOR THRIFT

When the government wartime programme calls for money, be prepared. Be in a position to write your cheque. Have a balance in your savings account constantly growing. Open an account with the Canada Permanent and make deposits regularly and systematically.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $67,000,000.

W. E. N. BELL
Taxation & Insurance Consultant
505 Metropolitan Bldg.,
Toronto — AD. 5457

If You have followed the trend of increasing taxation, and the newer regulations in the settlement of estates, you will have some idea of the gap in values that can happen between what you leave and what your family will actually receive. Through our knowledge of wise present day estate distribution, we can frequently help to reduce that difference.

A practical way to minimize the shrinkage of your estate may result from a talk with us. Any of our Estates Officers, or Representatives, will gladly discuss your intended distribution with you. It is a friendly service we provide—in the strictest confidence, of course.

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Since 1897

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TRUSTS and GUARANTEE
COMPANY LIMITED
TORONTO
CALGARY WINNIPEG BRANTFORD WINDSOR

2-42

Your Income Tax

Deadline for income tax returns is March 31, a month earlier than usual. In this weekly column, The Financial Post answers the problems you may have in computing your tax.

Married in December

On Dec. 24, 1941 I was married. Does this affect my exemption for income tax in any way? Can I claim exemption as a married man even though my status was changed for only a few days at the end of the year?

Yes, you are allowed exemption of $1,500 as a married man for the full year although you were married for only a few days at the end. The Income Tax Department considers a person such even if married for only one day in the year to be taxed. You will also get the lower rate on National Defense Tax as a married person.

British Children

Please tell me what allowances I am given for keeping British children brought to Canada as refugees?

You do not say whether these children were brought out under any co-operative government plan or under private sponsorship. It makes a difference. If they came out under a government plan, you can claim on 1941 income up to $120 for each child. You are also allowed deduction of $14 from your National Defense Tax for each British child maintained by you under such conditions. There is no allowance for British children brought out under private auspices.

Life Policy Proceeds

In 1941 I had a large endowment life insurance policy come due. I withdrew the money and invested it in government bonds. Am I liable for income tax and National Defense Tax on the money from the policy and on the interest I get from the new investment.

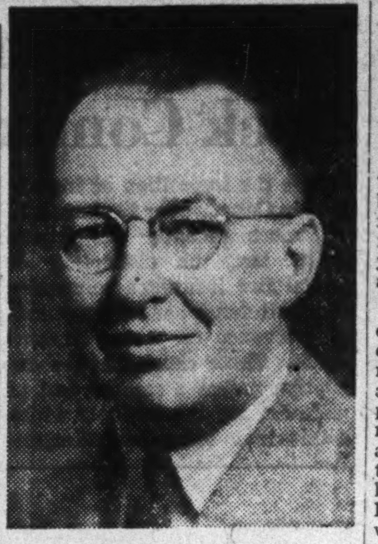
According to the rulings of the Income Tax Department you are not liable for income tax on the proceeds of an insurance policy. Hence you will not need to pay tax on the principal. You will, however, have to pay tax on the income from the proceeds of the policy which you have invested. This interest or dividends will have to be added to your other income in making up your income tax return.

Freeze Pulpwood Prices in Canada

MONTREAL.—Selling prices of pulpwood for domestic consumption throughout Canada, except British Columbia and Alberta, have been fixed by the Timber Controller at the highest corresponding price between July 1 and Dec. 1, 1941.

Pulpwood produced and sold for licensed export is not affected by the order. The ruling covers spruce, balsam, jack pine and poplar pulpwood, either in cord wood or logs.

Those who did not sell such pulpwood in any parts of Canada east of Alberta during the basic period will be permitted to add 15% to the highest lawful prices at which they sold pulpwood of the same kind and quality during the first six months of 1941.



GENERAL MANAGER

A. H. Blake has been appointed general manager of the B. F. Sturtevant Co. of Canada Ltd., Toronto, to succeed Geo. Dickson, who is returning to the United States to take charge of the company plant at Camden. Born in Galt, Mr. Blake is well known in air-conditioning circles.

Dominion Ten Month Deficit $221 Millions

Dominion Government expenditures in January exceeded receipts by $64 millions to bring total deficit for the first ten months of the current fiscal year to $221 millions. A year ago the operating deficit stood at $268 millions.

Reflecting higher rates and accelerated business income tax receipts during the month increased to $46 millions from $28.6 millions a year ago, while excise and sales taxes improved to $40.6 millions from $26.9 millions. Among expenditures war appropriations increased 67% over the Jan., 1941, figure at $145.2 millions. Cost of the Unemployment Insurance Commission in January was over $1 million against $4,500 a year ago.

In the first ten months of the current fiscal year Dominion revenues rose 75% over a year ago to $1,143 millions while expenditures increased 48% to $1,364 millions. War costs during the ten months totalled $998 millions, a gain of 77% over war expenditures in the first ten months of the 1941 fiscal year.

Expenditure on Government owned enterprises was down almost $15 millions on the ten months, being accounted for by wiping out of the C.N.R. deficit.

Figures for the month and ten-month period follow:

Receipts and Disbursements
January

Receipts:	1942	1941	Change
	—in $000's—		
Customs	12,628	10,005	+2,623
Excise duty	8,611	6,252	+2,359
Excise, sales tax	40,616	26,938	+13,678
Income tax	46,081	28,653	+17,428
Post office	4,103	3,500	+603
Sundry	8,294	4,855	+3,439
Special	198	30	+168
Total	120,531	80,235	+40,296
Disbursements:			
Ordinary	36,762	34,684	+2,078
Capital	169	215	—46
War	145,247	89,713	+55,534
Relief works	2,341	2,052	+289
Govt. enterprises	33	27	+6
Sundry	11	348	—337
Total	184,564	124,987	+59,577

Ten Months Ended Jan. 30

Receipts:	1942	1941	Change
	—in $000's—		
Customs	119,942	105,520	+14,422
Excise duty	90,540	72,716	+17,824
Excise, sales tax	367,568	217,196	+150,372
Income tax	490,170	201,886	+288,284
Post office	37,598	32,167	+5,431
Sundry	34,387	22,044	+12,343
Special	3,268	1,320	+1,948
Total	1,143,475	652,849	+517,626
Disbursements:			
Ordinary	331,193	308,395	+22,798
Capital	3,268	2,999	+269
War	997,920	565,035	+432,885
Relief works	30,690	20,360	+10,330
Govt. enterprises	1,176	16,085	—14,909
Sundry	216	7,706	—7,490
Total	1,364,464	920,582	+443,882

Banking Service
1817-1942
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.
Assets of £150 millions.
Over 870 branches in Australia, New Zealand & Pacific Islands.
London Offices at 29 Threadneedle St., E.C.2. and 47 Berkeley Square, W.1.
Agency arrangements with Banks throughout Canada.

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A trust fund in the care of this company as trustee is a safeguard of the family welfare. Such a fund established in your lifetime will enable you to see it in operation and may prevent the wasting of your estate through the inexperience of your executors.

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$600,000,000

SECOND VICTORY LOAN

Dated and bearing interest from 1st March 1942, and offered in three maturities, as follows:

For Cash or Conversion	*For Cash or Conversion*	*For Conversion only*
Twelve-year	Six-year	Two and one-half year
3% BONDS DUE 1st MARCH 1954	**2¼% BONDS DUE 1st MARCH 1948**	**1½% BONDS DUE 1st SEPTEMBER 1944**
PAYABLE AT MATURITY AT 101%	PAYABLE AT MATURITY AT 100%	PAYABLE AT MATURITY AT 100%
Callable at 101 in or after 1952	Non-callable to maturity	Non-callable to maturity
Interest payable 1st March and September	Interest payable 1st March and September	Interest payable 1st March and September
Denominations, $50, $100, $500, $1,000, $5,000, $25,000	Denominations, $1,000, $5,000, $25,000	Denominations, $1,000, $100,000
ISSUE PRICE: 100%,	**ISSUE PRICE: 100%,**	**ISSUE PRICE: 100%,**
yielding 3.07% to maturity	yielding 2.25% to maturity	yielding 1.50% to maturity

Principal and interest payable in lawful money of Canada; the principal at any agency of the Bank of Canada and the interest semi-annually, without charge, at any branch in Canada of any Chartered Bank.

Bonds may be registered as to principal or as to principal and interest, as provided in the Official Prospectus, through any agency of the Bank of Canada.

CASH SUBSCRIPTIONS

Cash subscriptions will be received *only for the 3% and/or the 2¼% bonds* and may be paid in full at the time of application at the issue price in each case *without* accrued interest. Bearer bonds with coupons will be available for prompt delivery. Cash subscriptions may also be made payable by instalments, plus accrued interest, as follows—

10% on application; 15% on 15th April 1942; 15% on 15th May 1942;
20% on 15th June 1942; 20% on 15th July 1942;
20.82% on the 3% bonds OR 20.62% on the 2¼% bonds, on 15th August 1942.

The last payment on 15th August 1942, covers the final payment of principal, plus .82 of 1% in the case of the 3% bonds and .62 of 1% in the case of the 2¼% bonds representing accrued interest from 1st March 1942, to the due dates of the respective instalments.

CONVERSION SUBSCRIPTIONS

Holders of Dominion of Canada 1½% Bonds due 15th May 1942, and Dominion of Canada 2% Bonds due 1st June 1942, may, for the period during which the subscription lists are open, tender their bonds *with final coupon attached*, in lieu of cash, on subscriptions for a like or greater par value of bonds of *one or more* maturities of this loan at the issue price in each case *without* accrued interest. The surrender value of the 1½% Bonds will be 100.59% of their par value, and of the 2% Bonds will be 100.80% of their par value, inclusive of accrued interest in each case; the resulting adjustment to be paid in cash.

The Minister of Finance reserves the right to accept or to allot the whole or any part of the amount of this loan subscribed for cash for either or both of the available maturities if total subscriptions are in excess of $600,000,000.

The cash proceeds of this loan will be used by the Government to finance expenditures for war purposes.

Subscriptions may be made through any Victory Loan Salesman, the National War Finance Committee or any representative thereof, any branch in Canada of any Chartered Bank, or any authorized Savings Bank, Trust or Loan Company, from whom may be obtained application forms and copies of Official Prospectus containing complete details of the loan.

The lists will open on 16th February 1942, and will close on or about 7th March 1942, with or without notice, at the discretion of the Minister of Finance.

Department of Finance,
Ottawa, 14th February 1942.

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of Canada
TORONTO

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Mutual Insurance Company
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MARINE

Insure Democracy
BUY
VICTORY BONDS

EAGLE STAR
1807
INSURANCE COMPANY LIMITED
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AND ASSOCIATED COMPANIES
HEAD OFFICE FOR CANADA: 217 BAY ST., TORONTO

Life Insurance Contest — Honorable Mention — Problem 1

Young Man's Financial Needs

Long Term Endowment Policy is Suggested

Additional suggestions for an insurance programme for a young unmarried man are given herewith by G. H. Bailey in one of the articles which won honorable mention in problem one, in The Financial Post's insurance contest. The individual for whom suggestions were asked in this problem was defined as "the young unmarried businessman in his 20's with a total income between $1,500 and $2,000 a year and excellent prospects. Ambitious, conscientious, healthy. Is saving some money but has no capital and no prospects of inheriting any. Must make his own way in the world."

Mr. Bailey was born in Toronto 30 years ago, and educated at Humberside Collegiate. He entered the insurance business in 1928 at the head office of the Manufacturers Life and served subsequently in branches at Brandon and Toronto, Bay St. In 1940 he was appointed branch secretary at Kingston. He is fond of sports, especially hockey and golf.

G. H. BAILEY

By G. H. BAILEY
Branch Secretary Manufacturers' Life Insurance Co., Kingston

The function of the modern life insurance policy is to provide an element of financial certainty at those times when life seems most uncertain. It provides money in the future. To the young man the future seems far away and his situation in it, a matter for hope and conjecture only. It is acknowledged that one man's insurance needs may differ from another's. Then how can a young man plan a life insurance programme when he cannot be sure that it will fit his particular needs? Frankly, he cannot do so, with certainty that he has planned correctly, but he can institute a programme which may be carried through with a minimum of change. Such a programme will involve the least outlay in the long run for changes are expensive to the policyowner and in any case, may not be possible, through loss of insurability. A young man's life insurance programme should be such that it will help him solve the maximum number of foreseeable financial problems, with the minimum of outlay.

Life's General Pattern

Experience teaches that life tends to follow certain general patterns though individual variations are many. On the whole, those with ability, who work, succeed where others fail. We know that the future is the product of the past and present. If a young man's ability, character and resources be evaluated with reasonable accuracy, his future course may be determined at least in broad outline. If life insurance is to be recommended for the young man described, his probable development should be ascertained, so that his future needs may be estimated and his programme suited to those needs.

Three fundamental factors affecting his development can be noted. First, his earnings, prospects and personality indicate that he is valued by his employer. Second, he has no capital. Third, he is of a normal, healthy type. What bearing will these have on his social and business life?

In business, two courses will present themselves; either he may remain an employee, or he may set up his own business. As an employee he will try to advance to a senior post. Lack of capital will not seriously impede his progress. If advancement beyond a certain point is blocked for reasons beyond his control, he may elect to commence his own business. Capital will certainly be needed in that event. Regardless of which course he follows, he will probably marry, for that is best for a normal, healthy type. Therefore, a few years will likely find him a family man, either advancing in his employment or in business for himself.

Varying Needs

Reactions to various aspects of life change according to one's circumstances. Similarly, appreciation of features in life insurance policies varies according to the needs of the moment. The man who suddenly requires a sum of money is much more concerned about the loan he can secure than with the fact that if he becomes totally disabled, the company will pay his premiums for him.

Experience shows that while young men are unmarried and fending for themselves, they are more interested in policies having a large savings element than in those which have a greater element of protection. This trend was emphasized during past depression years. But experience also proves that when owners of such policies acquire wives and families, pride and affection impel the vast majority to change to cheaper plans so that the same premium dollar may provide more protection. The policyowner invariably incurs a loss in these transactions. It would have been better to buy the protection plan originally and save the difference in premiums. The important fact, however, is that most men react more strongly at this stage to the need for greater protection than to the need for saving. They hope to take care of that later, when the expense of raising their families has passed.

Still later, thoughts of ceasing work and the desire is sharpened for independent declining years. Usually it is regretted that the original policies were changed, even though the added protection for their families and themselves is appreciated. Our nature is such that if death does not occur, the cost of protection is apt to be begrudged when the new need arises.

Need of Ready Money

Throughout life, many unforeseen situations occur which require ready money. Under today's conditions, the majority are unable to have available any funds which can be secured quickly for these emergencies, other than in the cash values of their life insurance policies. The past few years have amply demonstrated this fact. Even the fortunate minority frequently find it undesirable to arrange loans through the usual channels and the loan clauses in life insurance policies are called upon.

It appears, therefore, that a life insurance policy which will best meet the varying needs arising throughout our young man's lifetime, must provide (a) a relatively large element of protection (or conversely, have a relatively low premium): (b) a relatively high cash value at retirement age: (c) a reasonable cash value in relation to premium deposits. Keeping in mind that the programme should be subject to a minimum of change, is there a standard life insurance policy which fits these requirements? Yes. It is the long term Endowment, maturing at age 65.

Endowment at 65

When the buyer is in his twenties, the premium for this plan is only about 20% above that for the least expensive permanent form, whole life insurance. Consequently there is a large element of protection. The smaller the financial calibre of the individual, the greater is the need for increasing his assets by safe investment. The endowment at 65 repays at maturity about 20% more than the total of all premium deposits. Furthermore, whether the owner dies or survives, the proceeds for either beneficiary or policyowner are greater than the total of premiums paid. Hence it constitutes a guaranteed investment in either case. Too, the loan value after the first few years represents a substantial portion of premiums paid and in later years, exceeds them.

Recent years have seen opinion change concerning the most reasonable retirement age. This has occurred as a result of unemployment among the young and the rapid pace in commerce and industry. Sixty has frequently been advanced as the upper limit of a man's effectiveness. But if, as is expected, Canada experiences a permanent expansion in industry, if there is a heavy loss of young men in the war and if medical knowledge continues to improve, a swing in the other direction is indicated. Men will be required to remain on the job until later ages. At 65, the ability to pay premiums and to enjoy life, will not be lost. An endowment maturing at 65 will therefore fill the necessary conditions of suitability.

Size of Policy

The question now arises, what size of policy, or how much premium outlay should be recommended. A $10,000 policy on this plan with a premium of about $200, is reasonable. At first glance, this may appear too great for an initial undertaking. But it must be remembered that this first policy is to be the cornerstone of his lifetime finances. Any sacrifice necessary now will be amply repaid later. Approximately 20% of his present income will be diverted by direct taxation. It is not too much to require him to allot about 15% of his net income to life insurance, for the remainder will still provide comfortable living.

Let us apply this recommendation to the first of the two courses of probable development previously outlined. While he is unmarried, the commencement of a sound financial programme will have a beneficial effect on our young man's attitude, even in his daily work. When he marries, a great increase in protection can be effected by adding a so-called Family Income Benefit, providing for payment of $100 monthly until he would have reached an age at which his family would be raised, then a final payment of the original $10,000. The additional premium required for such a benefit is a small proportion of the basic premium. While this presumes that he is still insurable, it is doubtful that his conscientious type would marry if he were uninsurable. Even if no such clause is added, $10,000 will provide under the usual settlement options, an income sufficient to take care of his family for an extended period. At maturity $10,000 will produce a monthly income for the remainder of his lifetime of about $70. This will provide at least a minimum standard of living.

If the second suggested course of development is followed, the same needs will be met, with one major addition, the need for capital to commence his business. Since he has no expected source of capital, he must depend upon his own savings, or he must borrow. The amount needed will likely exceed anything he could save, so some borrowing will be necessary. A lender lends on his estimate of the borrower's ability to repay. Ownership of substantial life insurance is a recognized factor in granting credit. Young businesses are most seriously damaged if death removes an owner because such businesses depend on initiative and the personality of those engaged in it. In such circumstances a lender prefers a loan of $10,000 protected by a $10,000 life insurance policy with $1,000 cash value to a $10,000 loan protected by a $5,000 policy with $2,000 cash value.

Effect of War

Canada is at war. All her young men may be called for service. The war clause in Canadian policies provides automatic resumption of full coverage six months after return to a civil occupation. We know that heavy casualties are to be expected when our forces go into action. But the war will end and our men will require protection again after their return. Many will be unable to secure it because of injuries. The same advantages will accrue to the owner of a policy combining a large element of protection with a relatively large reserve fund, as in civil life.

A long-term endowment requires premium payments over a fairly long period. Participating policies have proved less expensive in the past. There is no reason to believe that they will not in the future. Since minimum outlay is essential participating insurance should be chosen.

The total disability premium Waiver Clause is a valuable addition to any policy, because it provides automatic maintenance of the insurance at times when maintenance is most difficult. An illness or accident serious enough to permit operation of the benefit entails such heavy expenses that relief from premium payments is particularly welcome.

In my opinion, the young man described should purchase at least $10,000 of endowment at 65, participating, with Total disability premium Waiver. Experience proves that in times of stress, owners of these policies make greater sacrifices to hold on to them, than those who own other types, for the reason that the allround benefits of this plan are more evident and appreciated than are the more specialized benefits of other plans. Such a policy is the soundest hub around which his financial programme can be built, because it will afford at least a minimum standard of living for him and his dependents, whether he lives or dies.

Tax Discrimination is Stock Company Charge

Since the imposition of income taxes in Canada over 20 years ago, and more recently the excess profits tax, the exemption of mutual fire insurance companies from both taxes has been a standing grievance of the stock companies. These claim that the exemption means a smaller cost of operation for the mutuals which enables them to compete on an unfair basis with the stock concerns.

Figures prepared by G. D. Finlayson, Dominion Superintendent of Insurance, and published in his report for 1940, just issued, show the income and excess profits taxes paid by the stock companies on 1940 business as $2.2 millions.

The bulk of the mutuals paid nothing under either tax. The small group known as cash mutuals paid a total of $5,200.

Companies:	Premiums $	Underwriting Profit $	Income Tax $	Excess Profits Tax $	Total Tax $
Canadian (whole business)	32,237,605	1,542,872	493,277	546,877	1,040,154
Canadian (apportioned to Canada)					
Mutual	3,658,373	194,554	......	......	......
Stock Mutual	1,159,660	76,277	5,200	......	5,200
Joint Stock	19,140,915	1,101,004	420,764	480,779	901,543
Totals	23,958,948	1,371,835	425,964	480,779	906,743
British—					
Joint Stock	27,133,926	2,340,732	273,437	440,243	713,680
Foreign—					
Reciprocal	550,524	267,087	......	......	......
Deposit—Premium Mutual	619,382	403,294	......	......	......
Other Mutual	4,894,356	1,055,454	......	......	......
Joint Stock	27,558,325	1,980,664	298,864	358,081	656,945
Totals	33,622,587	3,706,499	298,864	358,081	656,945
All Companies—					
Reciprocal	550,524	267,087	......	......	......
Deposit—Premium Mutual	619,382	403,294	......	......	......
Other Mutual	8,552,729	1,250,008	......	......	......
Stock Mutual	1,159,660	76,277	5,200	......	5,200
Joint Stock	73,833,166	5,422,400	993,065	1,279,103	2,272,168
Grand totals	84,715,461	7,419,066	998,265	1,279,103	2,277,368

Under the Income War Tax Act two of the classes of business exempt from income taxes are described as follows:

Mutual organizations—the income of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof, and of life insurance companies, except such amount as is credited to shareholders' account.

Farmers associations—The income of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the Minister of National Revenue.

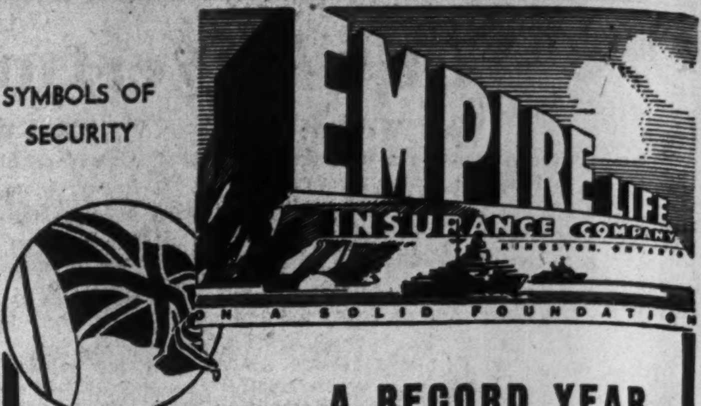
Under the excess profits tax the wording of the clauses giving the exemptions is:

The income of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof and of life insurance companies except such amount as is credited to shareholders account.

The income of such insurance mortgage and loan associations operated entirely for the benefit of farmers as are approved by the Minister.

Fire companies, interviewed by The Financial Post, claimed it would be fairer if fire companies were accorded the same treatment as the life companies, which eliminates the discrimination between policyholders of mutual life companies and those of joint stock concerns.

It is claimed the discrimination gives an undue advantage to individuals who are trying to escape carrying their burden of taxation through mutual fire insurance.



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1941 A RECORD YEAR OF PROGRESS

Insurance in Force - - - - $41,042,588
An Increase of $2,360,000
Assets Increased to - - - 10,589,294
Income Increased to - - - 1,603,835
Reserves Increased to - - 9,616,511

New Insurance Paid for and Revived $5,395,770—an Increase of 27½% ...Payments to Living Policyholders and Beneficiaries $698,584... Surplus for Protection of Policyholders $603,096.

CHARLES P. FELL
President

L. T. BOYD
General Manager

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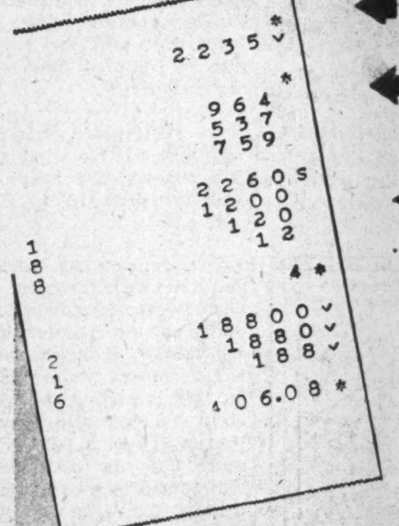

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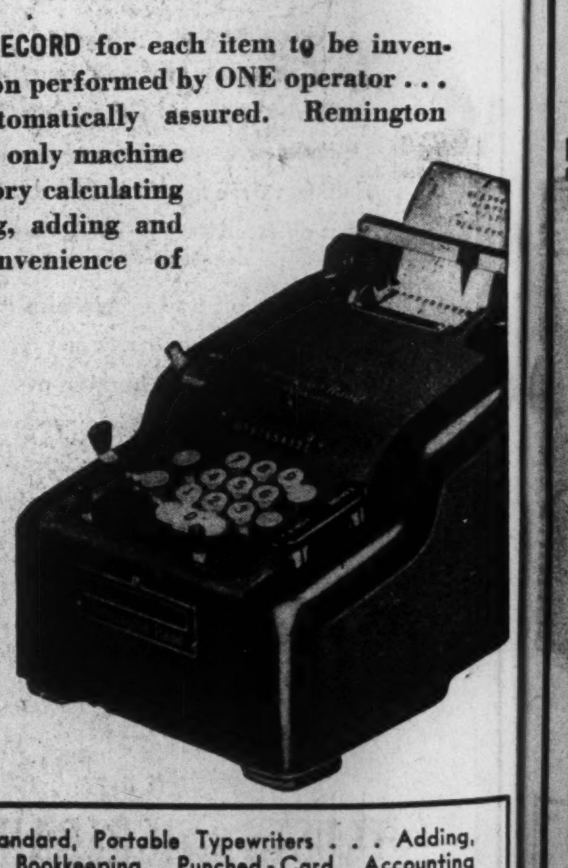

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1941—A RECORD YEAR

The Annual Report for 1941 shows substantial progress in every branch of the business, with gains under most headings the largest in years. Some of the leading features appear below:

NEW INSURANCE ISSUED - - - - - - - - - - $ 6,395,944.00
An Increase of 11 per cent. over 1940
TOTAL INSURANCE IN FORCE - - - - - - $37,693,123.00
Increase, $3,306,155.00 — the largest in ten years
TOTAL INCOME FOR YEAR - - - - - - - $ 1,660,979.88
A Gain of 13.4 per cent. over 1940
RESERVES FOR POLICY CONTRACTS - - - $ 7,417,471.00
An Increase of $519,016.00 for the year
ASSETS, DECEMBER 31st, 1941 - - - - - - - $ 8,644,043.42
An Increase of $623,824.42 over 1940

Above insurance figures are exclusive of substantial Immediate Annuity business. Lapsed and surrendered policies were at a new low level for many years. A large proportion of Company's net income was placed in Government War Loans. The rate of interest earned by the Company in 1941 was 5.40%.

BOARD OF DIRECTORS
W. SANFORD EVANS, LL.D., President; DR. E. W. MONTGOMERY, WILLIAM WHYTE, Vice-Presidents; E. E. SHARPE, K.C., JOHN MARTIN, JOHN W. HORN, ROY W. MILNER, C. D. GRAYSON; M. D. GRANT, F.I.A., Managing Director

THE SOVEREIGN LIFE ASSURANCE COMPANY
HEAD OFFICE - - WINNIPEG, CANADA

Bank of Canada Helps Find Dollars for U.K.

Plays Part in Financing British Purchases in Canada — Increase in Note Circulation Governed by Public Demand for Cash, Says Towers

Important changes shown in the annual report of the Bank of Canada for 1941 are:

Total assets up $216 millions.

Holdings of sterling and United States exchange over $200 millions.

Note circulation up $136 millions.

The expansion in assets is due mainly to increased holdings of sterling and United States exchange and government securities, both of which are regarded as part of the bank's reserves since it sold its gold to the Foreign Exchange Control Board.

Long Term Issues

The increase in security holdings was mainly in long term issues, holdings of short terms being lower. The change is explained in the report as due mainly to the conversion of the bank's holdings of a Dominion Government short term issue which matured Oct. 16 into a new issue of 3-year, 1½% notes.

The rise in sterling and U.S. dollars, stated to be almost entirely in sterling, evidently reflects the part Canada is playing in supplying Great Britain with Canadian dollars for the purchase of war supplies in Canada. Under arrangement, the Foreign Exchange Control Board accepts sterling exchange and then sells it to the Bank of Canada for Canadian dollars. These dollars are turned over to the British authorities to be spent in Canada. Meanwhile the Board agrees to repurchase the sterling from the Bank at some time in the future.

Gets Canadian Dollars

Governor Graham Towers in his report says in part:

"By selling sterling to the Bank of Canada on a temporary basis, the Board obtained Canadian dollars to assist it in financing its operations. Transactions of this character took place on a substantial scale in the early part of 1941, reaching a peak of $295 millions on June 25. Subsequent to the receipt of the proceeds of the First Victory Loan, the government made advances to the Foreign Exchange Control Board which enabled the Board to repurchase all sterling previously sold to the Bank of Canada. In August, the Board again found it necessary to sell sterling to the Bank, and continued to do so through the remaining months of the year."

Active Note Circulation

Of the total note circulation of $495.9 millions outstanding at the end of the year, Mr. Towers states, $116.3 millions was in the tills of the chartered banks, and $379.7 millions in the hands of the public. Including the notes of the chartered banks in the hands of the public, total active note circulation on Dec. 31 was $450.3 millions an increase of about $109 millions over last year.

Mr. Towers adds:

"In a country such as Canada, where the great majority of payments are made by cheques drawn on bank accounts, the volume of notes in active circulation is a matter of secondary interest from a monetary point of view. When additional notes are required by the public, they are obtained by withdrawals from the public's accounts with the chartered banks. Thus the volume of active circulation at any given time is determined by the requirements of the people, rather than by any action on the part of the banking authorities.

"It is, of course, true that an increase in the active circulation of Bank of Canada notes would have the effect of decreasing the chartered banks' cash reserves if off-setting action were not taken by the Bank of Canada. It has been the policy of the Bank to take such action."

Transferred to Government

Out of its net profit of $5.8 millions the bank paid the usual dividends to the Minister of Finance who holds the capital stock of the bank. The increase in profit over last year is attributed to the higher level of the securities held by the bank. A sum of $1.8 millions was added to rest fund and the balance of $3.7 millions paid to the Dominion Government.

Important items in the balance sheet follow:

	1941 $	1940 $
Total assets	842,861,565	626,578,727
Ster. & U.S. dols.	200,861,155	38,429,278
Govt. sec's.	608,471,865	575,763,161
Other assets	31,480,221	10,084,703
Rest fund	5,585,705	3,722,909
Note circ.	495,956,232	359,949,121
Dom. Govt. dep. .	77,573,198	13,426,257
Net profits	5,813,385	4,044,406
Div. to fin. dept. .	225,000	225,000
Pd. Dom. Govt. ..	3,725,590	2,546,306

Bell Telephone Issues More Employee Stock

Bell Telephone Co. of Canada has issued an additional 604 shares of capital stock in connection with the employees stock plan. This brings the total number of shares now outstanding to $834,898.

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Branches throughout Canada's Active Mining Districts

Credit Union Assets Expand

Quebec "Caisses Populaires" Reach $25 Millions Total

By C. VAILLANCOURT
Manager, La Fédération des Caisses Populaires (Desjardins)

"Caisses populaires" or credit unions hold an important place in the economic life of the province of Quebec. While their operations are gradually extending all over the Dominion, they are still unknown to a vast number of people in this country.

Strictly speaking, "Caisses populaires" are co-operative societies, organized within a group of people, operating under provincial supervision and supplying their members with three primary services:

(1) An easy and convenient system for accumulating savings;
(2) A source of credit at normal interest rates and
(3) A school wherein the members are educated in the management of their own money.

Promote Thrift

The credit union seeks to promote thrift among its members. It points out the necessity of systematic saving as a means to acquire relative financial independence.

The member has a single vote, regardless of his money holdings, emphasizing the worth of the individual in the management of the society. The members have all the power and delegate part of it to directors and committee members whom they elect. Directors and committee members are not remunerated for their services with the exception of the manager whose clerical work may be contributed.

Emphasize Individual

The first credit union in America was established in Levis, near Quebec, in 1900, with an initial deposit of $26.40, and without the benefit of any legislation, by Alphonse Desjardins, French-Canadian journalist and civil servant.

Though born with such limited resources, la Caisse Populaire de Levis progressed steadily. Its 41st report, dated Nov. 30, 1941, shows assets of $1,980,998. Its capital shares subscribed and paid total $377,995 and its savings $1,236,695. During these 41 years, the society has accumulated a reserve fund of $335,940. Its outstanding loans to members are of $218,607 on mortgages and of $42,843 on notes. It further holds $1,484,333 in governmental and municipal debentures, the last in the province itself.

Official Recognition

Six years after this bold experiment, credit unions gained official recognition from the provincial government through the Act Concerning Co-operative Syndicates, passed in 1906. In 1909, the State of Massachusetts was the first American state to pass such a credit union law with Desjardins' help and advice.

Today, there are statute laws governing credit unions in each of the nine provinces of the Dominion while in the United States, forty-three state laws existed in 1940 besides the federal law.

In Quebec, the act passed in 1906 was amended in 1909 and again in 1932. These laws define the methods of credit unions and recognize the right of the state to retain supervisory authority on banking institutions. The credit unions have thus acquired the dignity of official recognition as institutions for saving and credit.

There are today 610 "Caisses populaires" in the province, one half of the whole number of credit unions in Canada. These are grouped under six regional unions, according to the districts where they operate. The regional unions in turn form "La Fédération des Caisses populaires," the central power whose functions are the diffusion, maintenance and auditing of the local credit unions.

This federation has a regular staff of auditors whose names are submitted to the government and whose duties are to visit and audit yearly every credit union in operation.

From the last survey made on June 30, 1941, credit unions' total assets in the Province of Quebec were over $25 millions. Their outstanding loans to members totalled $11 millions while a similar amount of approximately $11 millions was invested in government bonds, both federal and provincial, and loaned to their municipalities, schools, hospitals, etc. Capital shares had reached the $3 million mark while the depositors had entrusted to the unions at that date the sum of $20 millions in savings. The membership was 135,000 with 120,000 depositors and 32,000 borrowers.

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Bond Holdings Down Slightly

Further expansion in holdings of sterling and United States exchange with a reduction in investments is shown in the statement of the Bank of Canada for the week ended Feb. 11. The change in investments was entirely in short term issues. The rise in sterling evidently reflects further purchases from the Foreign Exchange Control Board under the arrangement with the British government. Miscellaneous assets were down almost $4 millions. The net result was a drop of about $7 millions in total assets.

On the liability side, Dominion government and miscellaneous deposits were slightly lower, those of the Dominion government being higher. Note circulation also was up $2 millions.

	Feb. 11 1942 $	Feb. 4 1942 $
Liabilities		
Capital paid-up ..	5,000,000	5,000,000
Notes in circ.	483,507,224	481,664,105
Rest fund	5,585,705	3,722,910
Depos.: Dominion	32,839,333	37,801,765
Banks	203,106,471	200,401,585
Other	15,506,451	18,995,593
Total deposits	251,452,255	257,198,943
All other liabs. ...	4,559,691	9,590,913
Total liabs.	750,104,875	757,176,871
Assets		
In sterling & U. S.	320,144,192	305,778,791
Subsid. coin	411,812	412,960
Investments:		
Dom. gov. short	216,232,341	233,826,512
Other Dom. gov.	204,253,331	204,152,209
Total invest.	420,485,672	437,978,721
Premises	1,771,050	1,760,488
All other assets ..	7,292,149	11,245,911
Total assets	750,104,875	757,176,871

Weekly Bank Clearings

	Feb. 12 1942 $	Change Year Ago %	Feb. 5 1942 $
Halifax	3,339,603	+17.3	3,663,473
Saint John ..	1,845,265	+4.1	2,356,667
Moncton	886,222	+16.9	1,134,122
Sherbrooke .	711,310	+18.8	1,202,812
Quebec	4,525,439	+11.2	6,067,542
Montreal ...	81,427,443	+3.6	128,380,831
Ottawa	53,141,890	+43.0	59,486,259
Kingston ...	719,866	+26.1	787,061
Peterborough	666,599	+40.3	612,177
Toronto	89,936,211	+9.5	150,928,689
Hamilton ...	5,665,203	+20.8	8,505,778
Kitchener ..	1,085,050	+23.9	1,341,239
Brantford ..	900,044	+11.3	1,067,479
London	2,314,493	—3.9	2,923,481
Chatham ...	623,614	+9.8	556,107
Windsor	3,375,845	+12.3	3,691,400
Sarnia	348,358	—9.6	376,180
Sudbury	1,231,912	+18.5	1,080,622
St. Catharines	1,030,981	...	1,478,192
Fort William	971,211	+45.3	1,049,572
Winnipeg ..	37,335,897	+28.8	40,003,833
Brandon ...	372,441	+49.2	503,531
Regina	3,910,353	+17.7	4,297,156
Moose Jaw .	597,397	+12.0	747,593
Edmonton ..	5,140,319	+29.9	6,296,835
Prince Albert	437,442	+28.9	515,962
Edmonton ..	5,149,319	+30.1	6,296,835
Calgary	6,213,938	+16.3	6,398,911
Lethbridge .	671,431	+34.5	623,604
Medicine Hat	299,304	+30.6	344,322
N. W'minster	821,312	+21.0	882,626
Vancouver .	15,565,458	+8.9	22,064,017
Victoria	1,593,039	+1.0	2,127,090

Staff Changes

The Royal Bank of Canada announces the following staff changes:

T. G. SMITH from head office to be manager, Mt. Royal and St. Lawrence, Montreal.

A. W. W. LINTON, assistant accountant, Toronto, to be assistant manager, Vancouver.

N. L. EVANS, accountant, Cabri, Sask., to be accountant, Prince Albert, Sask.

H. E. T. WAY to be accountant, Winnipeg.

W. J. KIRKPATRICK, Woodstock, Ont., retires on pension.

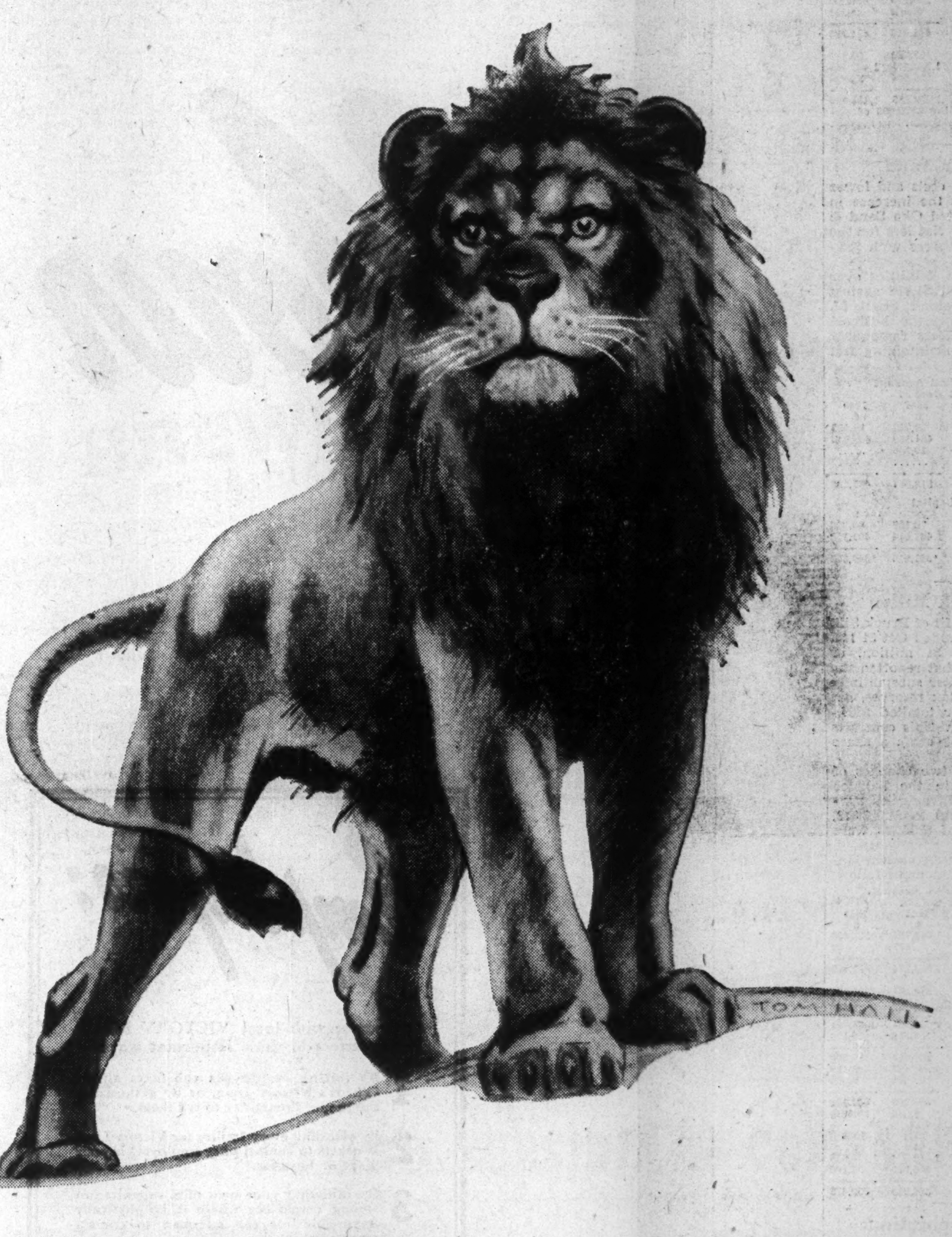
J. M. STEWART, Warkworth, Ont., retires on pension.

* * *

The Bank of Nova Scotia announces the following staff changes:

H. G. WASHBURN to be accountant, St. Andrews, N.B.

G. L. WHITE to be accountant, Ottawa South.



" Some Chicken . . .
Some Neck . . ."

Let Churchill's proud and ringing words inspire you as they have inspired the Empire. Let them glow in a defiant heart. Let them stir in you a pride that will send you out looking for the nearest place at which to buy Victory Bonds.

Like the lion, majestic and unafraid, let us go into action.

Let us lend to Canada, that Canada may protect us in all we hold dear. Total war demands total effort. That all-out effort demands self-denial on the part of each one of us.

Let us all fight shoulder to shoulder and we shall never be chained back to back. Buy Victory Bonds today!

House of Seagram

PUBLISHED BY THE HOUSE OF SEAGRAM IN THE INTERESTS OF THE SECOND VICTORY LOAN

Company Reports

Mtge. Corp. of N. S.

During 1941 Halifax business of Mortgage Corp. of Nova Scotia, Halifax, was again substantially increased. Company policy adopted several years ago to withdraw gradually from some districts where conditions have proved unsatisfactory has been continued. Net profit on the year was $5.15 a share on paid-up capital against $5.62 in 1940.

Mortgages and sale agreements declined some $30,000 on the year. Debentures outstanding now total $388,236, down $13,533 on the year.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	90,554	92,882
Less: Mgement. cost	13,655	13,640
Deb. int.	15,641	17,123
Int. on deposits	1,356	1,426
Taxes	21,217	19,175
Dirs. remun.	2,500	2,500
Depreciation	754	754
Net profit	35,432	38,264
Less: Dividends	34,000	39,100
Surplus for year	1,432	*836
Add: Prev. surplus	1,999	2,835
Surplus forward	3,431	1,999
Earnings per share	$5.15	$5.62
Paid	5.00	5.00

*Deficit.

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Debentures & int.	392,916	406,807
Deposits	49,002	44,381
	441,918	451,188
Secured by:		
Liquid assets	35,360	26,945
Mtges., agmts.	1,396,351	1,423,145
Other net assets†	26,944	23,098
	1,458,655	1,473,188

†Other assets, excluding $320,000 of uncalled subscribed capital stock, less current liabilities.

Cons. Oka Sand

Higher operating costs and lower selling price offset the increase in sales for Consolidated Oka Sand & Gravel Co. in 1941. Net loss for the year at $20,778 compares with $25,197 the year before.

Excess of current liabilities over current assets was $391,816 against $340,842 the year before. Frank M. Ross, president, says the business outlook for 1942 offers reasonably good prospects of maintaining last year's level.

Income and Deficit Account
Years Ended Dec. 31

	1941	1940
	$	$
Net loss for year	20,778	25,197
Add: Prev. deficit	481,123	459,018
Adjustments	10,656	......
Less: Adjustments	......	3,092
Deficit forward	512,557	481,123

Working Capital

	$	$
Current assets	70,198	60,326
Current liabilities	462,014	401,168
Working capital	*391,816	*340,842

*Excess of liabilities.

Bruck Silk Mills

Gross trading profit of Bruck Silk Mills for the year ended Oct 31 last totalled just over $1 million, or more than double that reported the preceding year. After substantially large depreciation tax reserves, net profits for the year totalled $267,568 or $2.14 a share. This contrasts with $58,309 or 46½ cents a share the year before.

There were only two changes of major importance in the balance sheet accounts. Inventories increased from $745,689 to $1,023,878, while bank loans of $200,000 were liquidated.

Comparative figures on the income and surplus statement follow:

Income and Surplus Account
Years Ended Oct. 31

	1941	1940
	$	$
Gross trading profit	1,063,737	511,628
Other income	477	82
Total income	1,064,214	511,710
Less: Sell., admin. exp., etc.	378,081	291,836
Dir. fees, legal, etc.	1,464	2,198
Depreciation	226,378	97,610
Bond interest	26,065	26,601
Res. for taxes	164,658	35,156
Surplus for year	267,568	58,309
Previous surplus	561,163	498,863
Add: Adjustment	5,478	3,991
Surplus forward	834,209	561,163
Earnings per Share	$2.14	$0.46½

Working Capital

	1941	1940
	$	$
Current assets	1,842,934	1,116,575
Current liabilities	956,665	457,100
Net working capital	886,269	659,475

United Corporations

United Corporations Ltd. report for 1941 shows gross revenue of $417,365, a decrease of $43,366 over 1940. Net profit available on the Class A stock was $3.04 a share and on the Class B stock 34 cents a share. This contrasts with $2.41 a share on the Class A and 20 cents a share on the Class B stock in 1940.

After cancellation of $106,500 of its own income bonds, investment and cash had a valuation of $8,093,468 at the close of the year, compared with $8,594,577 the end of 1940. Break-up value of the Class B shares was $7.56 a share, as against $13.20 at the end of 1940.

Comparative figures on the revenue and surplus account follows:

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Gross income	363,840	373,999
Less: Expenses	8,991	8,177
Exec. salaries	14,408	14,615
Trustee fees, etc.	8,209	8,000
Directors' fees	8,750	7,500
Taxes	1,742	16,377
Legal fees	535	163
Misc. expenses	2,182	3,152
Bond interest	149,855	162,752
Inc. tax prov.	8,200	25,275
Net income	160,968	127,627
Less: A dividends	79,402	79,402
B dividends	59,948	......
Surplus	21,618	47,825
Previous surplus	343,936	317,578
Less: Add. inc. tax, etc.	1,665	21,866
Surplus forward	363,889	343,936

Seaway Plan Strongly Urged

Development of the St. Lawrence project is important for national defense is the unanimous opinion expressed in a report submitted to the U. S. Congress by N. R. Danielson, director, St. Lawrence survey for the U. S. Department of Commerce.

The defense programme of the United States is a "long pull" programme, and it is claimed unwise to assume that because a power project cannot be brought into use in 1942 or 1943, it should be passed up in this emergency. Even if national defense production should reach a peak in 1943, industrial and commercial production will be so retarded and curtailed in the interval in so far as civilian uses of power are concerned, that a backlog of demand will have been created which can only be satisfied by continued increase of power sources after 1943, it is maintained.

Push Back Defense Peak

The report suggests that there is doubt as to whether the present U. S. schedule of war production can be maintained in view of material shortages and that there is a possibility the planned peak of defense production will be moved back into 1944 or 1945.

From the navigation standpoint, it is pointed out that the St. Lawrence seaway plan will make it possible to construct sea-going cargo vessels and naval craft up to 10,000-ton cruisers carrying 8-inch guns in Great Lakes shipyards. Limitations of present channels from the Great Lakes prevent utilization of the resources of the region in shipbuilding to the limit.

Rail Earnings Up In Latest Week

Gross revenues of the Canadian National Railways for the week ending January 21, 1942, were $5.8 millions. This compares with $4.7 millions for the corresponding week of 1941 and represents an increase of $1.1 million, or 23.6%.

Traffic earnings of Canadian Pacific Railway Co. in the week ended Jan. 21, 1942, were $4.2 millions. This compares with $3.3 millions for the corresponding week of 1941 and is a gain of $882,000, or 26.9%.

Montreal Listed Stocks Pay Larger Dividend

From Our Own Correspondent

MONTREAL.—Payment of dividends by companies with stocks listed and traded on the Montreal Stock Exchange and Montreal Curb Market continued to improve during January, and amounted to $16,613,343, an increase of $1,690,895 over the same month a year ago.

Of the 17 classifications in which payments were made, 12 showed gains, three were lower, while two groups failed to show any change.

TO EMPLOYERS AND EXECUTIVES:

MAKE IT Your business

TO ENSURE THE SUCCESS OF CANADA'S VICTORY LOAN!

LET'S FACE THE FACTS. If the Axis powers are equipped with superior armament . . . if they can exert a greater and more sustained effort than the United Nations, then freedom may be lost.

That is why you who are heads of businesses are urged to *make it your business* to ensure the success of Canada's Victory Loan. For every executive knows what depends on this Loan . . . that its success will help swing the scales to victory. As an employer you can contribute to the Loan's success in two important ways:

FIRST, you can make your own subscription an all-out effort. That is the least you can do to protect your right to do business in freedom.

SECOND, you can take the steps suggested in the panel alongside to encourage the purchase of New Victory Bonds by your employees. They will respond to your leadership. Do everything in your power to promote their response. Remember, it is in their own interests to invest to the limit.

Canada is not asking too much of you, even though this employee effort adds further responsibilities to those you already have. Our armed forces are making sacrifices those at home are not asked to make. Surely the least you can do in partnership with them is to buy the new Victory Bonds to the limit of your own purse and encourage your employees to do the same.

Employers:

Co-operate with local VICTORY LOAN Headquarters in these important ways:—

1 By telling employees the facts about Canada's Victory Loan, or by authorizing the proper Committee to tell them.

2 By affording every facility for Victory Loan Workers to contact your employees in your plant or business.

3 By initiating your own sales organization among employees where it is physically impossible for the salesman to contact every individual.

4 By establishing a regular Payroll-Savings Plan whereby employees can buy their Victory Bonds over an extended period.

5 By being prepared to answer questions of employees as to the New Victory Bonds.

Come on Canada!

Buy the New VICTORY BONDS

NATIONAL WAR FINANCE COMMITTEE, OTTAWA, CANADA

A53

Protect Civilian Goods By Slashing Frills

W. T. P. B. Simplification Order Aims to Maintain and Increase Supplies by Eliminating Costly Luxury Services

By STAFF WRITER

OTTAWA.—With the main lines of its pricing policy now generally established, the Wartime Prices & Trade Board announced recently a new frontal attack for economy and simplification in production and distribution of civilian goods and services.

Purpose of the new programme which will affect ultimately almost every producer and consumer in Canada is:

(a) to reduce unit costs of production and operation thus enabling business to operate within the price ceiling and avoid or reduce subsidy payments from the public treasury.

(b) to produce more civilian goods of the kind most needed with the minimum outlay of man power and materials.

Already individual industries on their own initiative or at the request of the Board's administrators, have undertaken important moves in this direction. As long ago as last August the bread industry was ordered to eliminate slicing and extra deliveries and cut out wrapping frills.

The shoe industry is now charged with the responsibility of slashing many lines, colors and types of shoes from its roster.

Men's shirts and pyjamas are to lose their pearl buttons and patch pockets; fused collars will probably disappear in cheaper lines and pleated shirt fronts will drop by the wayside. Men's hats are due for simplification and standardization.

In the meat industry, Cellophane wrapping is slated to disappear on most items as well as ½-pound packages of bacon and some tinned containers.

The furniture industry is undergoing scrutiny as is the transportation system in western Ontario. Big oil companies are already co-operating to eliminate competitive transshipment of crude in eastern and central Canada.

Essentially, the Board is anxious to throw responsibility back on individual manufacturers and retailers to carry out this programme. To this end, each industry has been asked to nominate an advisory committee from among its own members. These committees will be under general supervision of a special division of the Board at Ottawa.

W. P. T. B. Suggests

The following suggestions have been prepared to illustrate the kind of measures contemplated:

"(1) In many industries a great deal can be done by reducing the number of varieties, styles, sizes, etc., of articles for sale. Standardization to a degree never possible or desirable in peacetime must be vigorously sought under present conditions.

"In following this approach, higher-price and higher-cost lines should be eliminated wherever such action will enable any given amount of labor, materials and power to produce a greater total volume of production. Each manufacturer can simplify his own lines and, to a certain extent, there can be uniformity among all manufacturers in an industry. There should be concentration on standard price ranges suited to mass demand. New models or varieties should be produced only where this can be done more cheaply or where it is necessary because of substitute materials or, in the case of women's clothing, where style changes are to some degree followed even under present conditions.

"(2) Each industry can simplify the materials it buys as well as the articles it sells, and can economize in buying as well as in production and selling. Wherever production facilities of supply sources permit, there should be concentration on the purchase of large quantities of fewer varieties of materials. Buying may be pooled and long-term, mass quantity, fixed-price contracts are possible in certain lines.

"(3) Unnecessary 'frills' by way of ornamentation and decoration of goods, fancy packages and wrapping may be eliminated without affecting consumer value. In some cases, to be strictly controlled by the Administrator, less valuable but equally serviceable materials can be used, at less cost to manufacturers and without prejudicing consumers.

"(4) Costs incurred previously for reasons of competition, goodwill or prestige are becoming less and less justifiable under present conditions. Duplication of sales efforts and overlapping of markets may be avoided in a number of cases. For instance, it is obviously costly, not only in money but in urgently needed transportation facilities, for goods produced in Montreal to be shipped for sale in Toronto, while similar goods produced in Toronto are shipped to Montreal."

Now Managing 2,500 Farms

Colonization Finance Corporation Re-elects Louis Lang of Galt

Louis L. Lang of Galt and J. F. Weston of Toronto were re-elected president and vice-president respectively of the Colonization Finance Corporation of Canada Ltd. at the 13th annual meeting held in Toronto. Mr. Lang is vice-president of the Mutual Life Assurance Co. of Canada, and Mr. Weston is president of the Imperial Life Assurance Company.

General manager, T. O. F. Herzer of Winnipeg, reported that the organization supervised about 2,500 farms, totalling more than 800,000 acres. The income from these farms was improved due to the better price for livestock, particularly hogs and coarse grains. With the improved price of wheat anticipated for the 1942 crop, a marked improvement in the western agricultural situation is expected with confidence.

In addition to Mr. Lang and Mr. Weston, the following directors were re-elected:

R. P. JELLETT, Montreal, vice-president and general manager, the Royal Trust Co.

C. S. MACDONALD, Toronto, president, Confederation Life Association.

J. M. MACDONNELL, Toronto, president and general manager, National Trust Co.

J. N. K. MACALISTER, Montreal, chief commissioner, Department of Immigration & Colonization, Canadian Pacific Railway Co.

W. R. McCONNELL, Toronto, assistant treasurer, Canada Life Assurance Co.

A. E. PEQUEGNAT, Waterloo, assistant general manager, Mutual Life Assurance Co. of Canada.

Manitoba Cuts Gross Debt

Refunding Means Interest Saving, Less Liability on U. S. Funds

Reduction of $963,000 in the gross debt of the Province of Manitoba has been effected with the negotiation of refunding of $2,250,000 20-year 5½% bonds which mature March 1.

The original issue was sold in 1922 mostly to investors in the U. S. S. S. Garson, provincial treasurer, has arranged with a number of financial institutions and banks in the U. S. and Canada to issue new renewal and refunding debentures totalling $1,287,000. The remainder will be met by payment in cash of $963,000, plus payment of necessary premium on U. S. funds. This cash payment is derived largely from capital receipts and principal repayments of capital advances.

Of the new debentures $359,000 will be for two years at 3% and will be payable only in U. S. currency. The remainder totalling $928,000 will be for four years at 3½% payable only in Canadian funds.

Along with the reduction of $963,000 in the province's gross debt this refunding will mean that the liability for American funds for this issue will be reduced from $2¼ millions to $359,000. There will also be a reduction in interest charges from $123,750 to $43,250 per year.

MANAGER OF ROYAL

James Matson has been appointed manager for Canada of the Royal-Liverpool group of insurance companies with Canadian head office at Montreal. He succeeds R. Forster Smith, who is retiring. The change is effective March 31. P. M. May will continue as assistant manager. H. W. Bell, assistant secretary, has been appointed assistant manager and George V. Beveridge and J. W. Dooley will continue as assistant secretaries. Mr. Matson was formerly assistant manager.

MARITIME TEL. DIRECTOR

From Our Own Correspondent

MONTREAL.—L. A. Lovett, K.C., has been elected a director of the Maritime Telegraph and Telephone Co. He replaces the late R. A. Corbett.

What's Life Like When Enemy Is Under 20 Minutes Away?

"What is life like—with the enemy less than twenty minutes away?"

A brochure published by Lord & Thomas, advertising agency firm, for American and Canadian businessmen answers the questions. Charts and texts show how population has been shifted by the blitz; what rationing and taxation have done to the consumer's weekly pay envelope; how labor has been redistributed; how the retail merchant carries on in the face of changing markets and shortages of merchandise.

Most of Britain's pre-war enterprise and freedom remain despite the drastic impact of war, the Lord & Thomas study reveals. It isn't easy for the businessman to carry on, but he is carrying on.

Notable is the fact that British advertising, under every adverse condition, retains its essential vitality, although reduced in volume because of paper shortage, etc. Advertising continues, despite bombs and blockades, for many reasons not the least of which is the important role it has to play in upholding the morale of the people

Dominion Bridge Units at Capacity

17 Plants Now Fully Engaged on War Work. Start on New Shipyard

From Our Own Correspondent

MONTREAL. — Dominion Bridge Co. plants are continuing at a high rate of activity, according to W. F. Angus, president, at the annual meeting.

During the past year the parent company and its subsidiaries devoted their entire time to the production of materials required for the war effort. In all the company had 17 plants in operation—one in Nova Scotia, two in Quebec, five in Ontario, three in Manitoba, four in Alberta and two in British Columbia.

These plants produced many special articles such as marine-type engines, boilers and other pressure vessels, guns, brass cartridge cases, forgings for shells and machine shells.

Build New Shipyard

One of the new directions the company will turn its resources, said Mr. Angus, is the construction of a shipyard in which it has been commissioned to build a number of merchant vessels. The company will co-operate in this venture with Fraser-Brace Ltd., which is experienced in the construction and fitting out of cargo ships.

A large percentage of the steel for these ships will be fabricated in the shops of the Dominion Bridge Co. and delivered at the site of the shipyard located in the Montreal harbor area.

Senator Haig Heads Universal Life

Senator John T. Haig of Winnipeg has been elected president of the Universal Life Assurance and Annuity Co. He succeeds the late S. C. Tweed. The head office of the Universal Life is at Winnipeg.

Dr. W. H. G. Gibbs succeeds Senator Haig as vice-president. E. W. Voelker, treasurer of the company, was appointed acting manager and Frank L. Ernst, secretary, was appointed superintendent of agencies.

APRIL 30 *Last* YEAR

MARCH 31 *This* YEAR

THIS year, your personal Income Tax Return *must* be filed one month earlier—on or before 31st MARCH.

We are thoroughly experienced in the preparation of Returns.

Would it not be a relief to you to have us prepare yours? This service is available for a moderate fee.

THE ROYAL TRUST
COMPANY

4203G

It's in the BAG!

"In the bag" is a modern way of saying the situation is well in hand . . . and it certainly applies when you entrust your finishing problems to Thorp-Hambrock, who specialize in industrial finishes.

Over a period of years, Thorp-Hambrock have developed countless paint, varnish, lacquer and enamel finishes to meet the varying conditions found in Canada's industrial plants.

Follow the example of Canada's leading manufacturers—turn your finishing problems over to Thorp-Hambrock and benefit by the experience of a company of specialists.

Call in the THORP-HAMBROCK MAN . . . He's a Specialist!

THORP-HAMBROCK CO. LIMITED
MONTREAL
TORONTO

THORP-HAMBROCK
Industrial
LACQUERS • VARNISHES
ENAMELS • PAINTS
and
"CELLON" Aeroplane
Protective Finishes

CANADIAN BREWERIES LIMITED

• PRINCIPAL SUBSIDIARY COMPANIES •

THE BRADING BREWERIES LIMITED • BRITISH AMERICAN BREWING CO., LIMITED • CANADA BUD BREWERIES LIMITED
CANADIAN BREWERIES (QUEBEC) LIMITED • THE CARLING BREWERIES LIMITED • COSGRAVE'S DOMINION BREWERY LIMITED
O'KEEFE'S BREWING COMPANY LIMITED • O'KEEFE'S BEVERAGES LIMITED

Twelfth Annual Report—Year Ended October 31st, 1941

To The Shareholders:

Your Directors present herewith a statement of the affairs and financial position of your Company for the fiscal year ended October 31, 1941.

The result of operations for the year showed improvement over the preceding year. After providing for depreciation and other charges, including income and excess profits taxes, the net profit for the year amounted to $570,570.11, in comparison with $525,032.78 in the previous year. Dividends were paid on the preference shares at the full rate of $3.00 per share.

During the year the debenture debt of the Company was reduced from $2,025,000 to $1,550,000; in addition mortgages aggregating $160,588.50 were paid off, or a total reduction in funded debt of $635,588.50. The Company's net working capital also increased and at the end of the year amounted to $2,172,973.38.

Further extensive improvements were made to several of the Company's plants, thereby increasing their capacity and making them among the best equipped on the North American continent. The care devoted to the maintenance of plants and the installation of the most up-to-date equipment, is in a large measure responsible for the excellence of the Company's products, which are steadily winning added favor with the public. Your Company, as a result of the continuous programme of plant improvement carried on over several years, is now, fortunately, in a position to operate efficiently during a period when governmental restrictions will prevent further large expenditures on capital account.

Your Company has continued to make provision for the well-being and social security of its employees and their families. Wages paid are the highest in the industry and employees share in the benefits of health, sickness, accident, hospitalization, group and life insurance, as well as being provided with an assured income on retirement. The major cost of such benefits is borne by your Company.

Your Company has for several months been carrying on an extensive export business to the British forces in the theatres of war.

Your Directors are now putting forward a proposal for the elimination of the arrears of dividends on the preference shares, which is embodied in a by-law to be submitted to the holders of preference shares and the shareholders as a whole at separate meetings as indicated in the accompanying notice. Briefly, the by-law provides for the cancellation of the arrears of $6.75 per share, the substitution of a higher dividend rate of $3.40 per annum instead of $3.00 per annum and an increase in the redemption price by the amount of the arrears, from $40.00 to $46.75 per share. The increase in the dividend rate, which will be applicable to the dividend payable July 1st, 1942, is the equivalent of approximately 6% interest on the arrears and the eventual right of shareholders to receive payment of the arrears is protected by the increase in the redemption price. In addition the by-law provides for the elimination of the present restrictions on the issuance of bonds and secured obligations, as being no longer appropriate having regard to the capitalization of the Company, which it is anticipated will normally include a substantial amount of debentures or other secured indebtedness. The accompanying proposal has been put forward only after a most exhaustive study by your Directors of many alternative suggestions and is recommended for your favorable consideration and approval in the belief that it is fair to both classes of shareholders as well as being in the interests of the Company itself.

Your Directors wish to record their appreciation of the loyalty and efficient services rendered by the officers and employees of the Company during the period under review.

Submitted on behalf of the Board of Directors.

E. P. TAYLOR,
President.

Toronto, Canada, February 11th, 1942.

CANADIAN BREWERIES LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AT THE 31st OCTOBER, 1941—STATEMENT I

ASSETS

Current Assets:			
Cash on Hand and in Bank		$ 188,815.62	
Investments including shares in Brewing Companies and $43,000.00 Company's own Debentures acquired in anticipation of Sinking Fund requirements (Quoted Market Value $684,389.97)		749,998.33	
Accounts and Bills Receivable less Reserve for Doubtful Accounts		495,571.94	
Stocks of Beer and Supplies valued on the basis of cost and Containers on the basis of cost or replacement values as certified by responsible officials		2,624,222.77	
Prepaid Expenses		58,950.78	$4,117,559.44
Deferred Charges including $62,125.91 balance of Discount and Expenses in connection with the issue of Debentures			175,166.20
Fixed Assets:			
Land		$ 991,485.03	
Buildings	$4,162,790.21		
Plant and Equipment	5,469,428.61		
	$9,632,218.82		
Less: Reserves for Depreciation	2,611,250.90	*7,020,967.92	8,012,452.95
*Buildings, Plant and Equipment with the exception of certain assets included at a net book value of $344,441.24 are valued on the basis of appraisals made by the Dominion Appraisal Company Limited at various dates in September and October, 1939, plus subsequent additions at cost.			
Sundry Properties and Investments including Interest in Affiliated Companies and Subsidiary Company not consolidated in Balance Sheet—at book values less reserves			362,137.35
			$12,667,315.94

We have examined the books and accounts of Canadian Breweries Limited and of its Subsidiary Companies for the year ended the 31st October, 1941. In connection therewith we tested accounting records and other supporting evidence and made a general review of the accounting methods and of the Profit and Loss and Surplus Accounts for the year. Based upon such examination we report that all our requirements as auditors have been complied with and that, in our opinion, the accompanying Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of Canadian Breweries Limited and its Subsidiary Companies as at the 31st October, 1941, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

GEORGE A. TOUCHE & CO.
Chartered Accountants, Auditors.

DATED at Toronto, Ontario, 9th January, 1942.

LIABILITIES AND CAPITAL

Current Liabilities:		
Bank Loans—Secured	$ 401,400.00	
Accounts Payable and Accrued Liabilities	875,467.34	
Income Taxes Accrued	667,718.72	
Note: Excess profits tax included at estimated amount subject to determination of standard profits.		$1,944,586.06
Debentures—Secured by First Mortgage:		
Authorized	$2,500,000.00	
Issued:		
5½% Series "A" Sinking Fund Debentures due the 1st April, 1946, redeemable before and at maturity at a premium of 2%:		
£300,000-0-0 Sterling @ $5.00 to the £	$1,500,000.00	
160,000-0-0 *Less:* Redeemed	800,000.00	
£140,000-0-0	$ 700,000.00	
4%, 4½%, and 5% Series "B" Debentures maturing in annual instalments of $75,000.00 on the 1st April in each of the years 1942 and 1943 and $100,000.00 in each of the years 1944 and 1945 and 1947 to 1951 inclusive, redeemable before maturity at a maximum premium of 2%—$1,000,000.00 less $150,000.00 matured and retired to date	850,000.00	1,550,000.00
Minority Interest in Subsidiary Company		811,073.38
Capital and Surplus represented by:		
Authorized Capital:		
250,000 $3.00 Cumulative Sinking Fund Convertible Preference Shares of no par value.		
1,500,000 Common shares of no par value.		
Issued Capital:		
163,428 $3.00 Cumulative Sinking Fund Convertible Preference Shares of no par value	$3,893,274.57	
228 *Less:* Redeemed	5,431.42	
163,200	$3,887,843.15	
675,195 Common shares of no par value	1,026,213.65	
Capital Surplus including Surplus arising from Appraisal of Fixed Assets—Statement II	1,878,857.68	
Distributable Surplus—Statement III	1,568,742.02	8,361,656.50
Contingent Liabilities:		
Commitments in connection with Fixed Asset Additions	$ 400,000.00	
Sundry Guarantees, etc.	60,000.00	
Provincial Capital and Income Taxes—1941	60,000.00	
		$12,667,315.94

Notes: (1) Dividends on the Cumulative $3.00 Preference Shares were 6.75 per share in arrears at the 31st October, 1941.
(2) Option rights expiring the 1st October, 1945, not exceeding 128,000 Common Shares at from $9.00 to $10.00 per share are outstanding in connection with Series "A" Debentures issued.

Approved on behalf of the Board,
E. P. TAYLOR, *Director.*
K. S. BARNES, *Director.*

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Year ended the 31st October, 1941—Statement IV

Profit from Operations before charging Depreciation, Income Taxes and other items as set out below	$1,796,818.98
Miscellaneous Income (net)	48,517.76
	$1,845,336.74
Less:	
Bank and other Interest	124,083.14
Net Profit for Year before providing for Depreciation and Income Taxes	$1,721,253.60
Provision for Depreciation	491,805.31
Net Profit for Year before Income Taxes	$1,229,448.29
Provision for Dominion and Provincial Income Taxes	626,000.00
Net Profit for Year	$ 603,448.29
Less:	
Net Profits applicable to Minority Interests	32,878.18
Balance Transferred to Distributable Surplus—Statement III	$ 570,570.11

CAPITAL SURPLUS INCLUDING SURPLUS ARISING FROM APPRAISAL OF FIXED ASSETS

For the Year ended the 31st October, 1941—Statement II

Balance at Credit the 1st November, 1940		$1,621,824.83
Add:		
Increase due to the purchase of additional shares of a Subsidiary during the year	$ 23,820.12	
Net adjustment resulting from disposal of Fixed Assets during the year	233,212.73	257,032.85
Balance at the 31st October, 1941—Statement I		$1,878,857.68

DISTRIBUTABLE SURPLUS

For the Year ended the 31st October, 1941—Statement III

Balance at Credit the 1st November, 1940	$1,437,729.91
Add:	
Net Profit for the year ended the 31st October, 1941—Statement IV	570,570.11
	$2,058,300.02
Deduct:	
Dividends Paid on Preference Shares	489,558.00
Balance at the 31st October, 1941—Statement I	$1,568,742.02

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including club market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING FEBRUARY 16

A

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
.70	.40	.	...	Abitibi	500	.70	.70	.65	.65
7	5	.	...	Do. pref. 6%	630	6	6	5½	5½
13	13	.	...	Do. pref. 7%	105	..	13	13	13
†3	1	.	...	Acme Glove	....	(3 bid 4 asked)			
60	60	6.50	10.8	Do. pref.	....	(— bid — asked)			
13	13	80+20c	8	Agnew Surp.	....	12 bid 13 asked			
†108	105	7	6.6	Do. pref.	....	108½ bid 110 asked			
.90	.85	.	...	Alta. Pac. Gr.	....	(.90 bid 1.00 asked)			
27	22	.	...	Do. pref.	15	24	24	24	24
9	8½	.	...	Algoma Steel	135	9	9	9	9
82	82	5	6.1	Do. pref.	5	82	82	82	82
109	99	8+2	10	Aluminium	500	102	101½	99	100
†120	115	6	5.2	Do. pref.	....	(116 bid — asked)			
7½	7½	25c	...	Amal. Electric	....	(7½ bid — asked)			
37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
46½	44	2.75	5.9	Ang. Can. T. p.	....	(— bid 43 asked)			
19	18	60+60c	6.7	Asbestos	574	18	18½	18	18
18½	16	1.75	10.9	Assoc. Brew.	....	(— bid 16 asked)			
†111	108½	7	6.3	Do. pref.	....	(110 bid — asked)			
†1	1	.	...	Assoc. T. & T.A.	....	(— bid — asked)			
‡24	24	96c	...	Do. pref.	....	(— bid 25 asked)			
§103	101	5.50	5.3	Ault & Wiborg.	....	(102 bid — asked)			

B

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
145	142	8	5.5	Bk. Can. Nat.	20	145	145	145	145
189	187	8	4.2	Bk. Montreal	60	188	188	188	188
274	270	12	4.3	Bk. N. Scotia	3	274	274	274	274
255	245½	10	4	Bk. Toronto	10	250	247½	245½	245½
†8½	8½	20c	...	Barber Ellis	....	(7 bid 10 asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
†1.25	.35	.	...	Barker's Bread	....	(.35 bid 1.50 asked)			
†22	16	.	...	Do. pref.	....	(14 bid 15 asked)			
14½	13½	1+25c	9.2	Bathurst Pr.	1810	14	14½	13½	13½
2½	1½	.	...	Do. (B)	30	2	2	2	2
4	4	.	...	Beath & Sons	....	(2½ bid 3½ asked)			
8	6¾	.	...	Beatty Bros.	50	6¾	6¾	6¾	6¾
103	103	6	5.8	Do. pref.	....	102 bid 103½ asked			
†90	88	7	7.8	Do. 2nd pref.	....	(90 bid — asked)			
9¾	9½	.	...	Beauharnois	323	9¾	9¾	9¾	9¾
81	81	4+2	7.4	Belding Cort.	....	(80 bid 86 asked)			
†128	124	7	5.6	Do. pref.	....	(115 bid — asked)			
150½	146	8	5.4	Bell Telephone	557	148½	148¾	146	146
6½	6½	30+5c	5.2	Bertram & Sons	....	(6½ bid — asked)			
7½	7	60c	8.6	Biltmore Hats	365	7½	7½	7	7
3	2½	.	...	Blue Ribbon	30	3	2¾	2¾	2¾
32½	30	2.50	8.3	Do. pref.	5	30	30	30	30
10¾	10¾	60c	5.6	Blue Top Br. A.	....	(8 bid 11½ asked)			
10½	8	.	...	Do. (B)	....	(10¾ bid 11 asked)			
†22	19	1.30	6.2	Brant. Cord. pf.	....	(20½ bid 23½ asked)			
8½	6¾	40c	...	Brazilian Tr.	2920	8	7¾	7½	7½
5½	4¾	50+10c	..	Brew. & Distil.	286	5	5½	4¾	4¾
†6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
†90	90	6	6.7	Do. pref.	....	(90½ bid — asked)			
18	15¾	1	6.2	Brit. Amer. Oil	2329	16	16	15¾	15¾
16	13	1.50	...	B. C. Packers	26	15	15	14	14
22	19	2	10.5	B. C. Power A.	252	21	20½	19	19
1½	1½	.	...	Do. (B)	....	(1½ bid 2 asked)			
5½	4½	10c	...	Bruck S. Mills.	105	5½	5	5	5
12¾	11½	70+10c	6.7	Building Prod.	243	12	12	12	12
8	7¾	60c	7.5	Burlington St'l.	135	8	8	8	8

C

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
§70	70	.	...	Calgary Power	....	(— bid — asked)			
98	98	6	6.1	Do. pref.	5	..	98	98	98
2½	2½	.	...	Canada Bread	....	(2¾ bid 3 asked)			
103	102	6	5.9	Do. pref.	....	(102 bid — asked)			
46	40	2.50	5.6	Do. pref. B.	30	45	46	45	45
5	5	40c	8	Canada Bud	210	5	5	5	5
5	4	.	...	Canada Cement	530	4½	4½	4½	4½
102	100	6.50	6.4	Do. pref.	228	101¾	101¾	101½	101½
†5¾	5¾	40c	...	Can. Cr. Stone.	....	(4 bid — asked)			
106	102	5	4.9	Canada Cycle, p	....	(103 bid — asked)			
20¾	17½	1.50	8.3	C. & D. Sugar.	315	19	18½	17½	17½
19	16	1.50	8.8	Can. Forg. (A)	50	18	17	17	17
19½	18¾	1.50	7.7	Do. (B)	....	(17½ bid — asked)			
†50	35	7.50	...	Can. Iron	....	(39 bid — asked)			
†80	70	6	8	Do. pref.	....	(74 bid — asked)			
§390	390	20	...	Canada Life	....	(— bid — asked)			
38	36	2+50c	6.7	Can. Malting	....	(37 bid 37½ asked)			
5½	4¾	60c	12	Can. Nor. Pr.	85	5	5	5	5
85	80	7	8.4	Do. pref.	20	85	82	82	82
87	85	4	4.7	Can. Packers	120	86	85½	85	85½
126	120	8	6.5	Can. Perman.	30	125	125	122	122
9	9	50c	...	Can. Starch	....	(9 bid — asked)			
†108	108	7	6.4	Do. pref.	....	(106½ bid — asked)			
6¾	5¾	.	...	Can. Steamsh's.	1392	6½	6¾	6½	6½
29½	28	2.50	8.7	Do. pref.	317	29	29	28	28½
7¾	6¾	40+10c	7.2	Can. Vinegars	100	7	7	6¾	7
57	52½	4	7.3	Can. W. Cable.	....	(55 bid 60 asked)			
22½	21½	2	9	Do. (B)	15	21½	22	22	22
108	106½	6.50	6.1	Do. pref.	10	106½	106½	106½	106½
1.75	1.00	.	...	Can. Bakeries	....	1.00 bid 1.50 asked			
55	49½	3.25	...	Do. pref.	45	50	49½	49½	49½
154	149½	8	5.3	Can. Bk. Com.	86	152	154	151½	151¾
1.40	1.00	.	...	Can. Breweries	2085	1.35	1.40	1.25	1.25
31	28	3	10.5	Do. pref.	452	28	29¾	28½	28½
32	29	1.50+50c	7	Can. Bronze	25	29	29	29	29
105	105	5	4.8	Do. pref.	....	(105 bid — asked)			
6	5	50c	10	Can. Canners	....	(5½ bid 6 asked)			
22	18	1+20c▪	6	Do. 1st pfd.	100	19¾	19¾	18	18
9½	9	60+20c▪	9	Do. 2nd pfd.	550	9	9½	9	9
6	5	.	...	Can. Car & Fd'y	290	5½	5½	5	5½
24	22	‡1.32	..	Do. pref.	480	23½	24	23½	23½
27½	22¾	1+1	8.8	Can. Celanese.	50	25	22¾	22¾	22¾
123½	123	7+60c▪	6	Do. pref.	20	124	124	124	124
23	22½	1	4.4	Do. Rights	....	(22½ bid — asked)			
17½	17	2	11.4	Can. Convert.	....	(16½ bid 18 asked)			
†106¾	97	4+2	5.9	Can. Cottons	....	105 bid 107½ asked			
115	114	6	5.2	Do. pref.	10	114½	115	114	115
14½	11½	.	...	Can. Dredge	72	13	12	11½	11½
†100	99½	6	6	Can. Fairb. pf.	....	(95 bid — asked)			
16½	15	1.90	11.5	Can. For. Inv.	105	16½	16½	16½	16½
105	105	8	7.6	Do. pref.	22	105	105	105	105
†220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
7½	7½	50c	6.9	Can. G. Inv.	....	(— bid 7½ asked)			
3½	3½	25c	...	Can. Ind. Alc.	885	3½	3½	3½	3½
3¾	2	25c	...	Do. (B)	375	3½	3½	3½	3½
167	155	6	3.9	Can. Indust. B.	11	160	155	155	155
175	170	7	4.1	Do. pref.	4	170	170	170	170
.30	.25	.	...	Can. Int. I. Tr.	....	(.20 bid .40 asked)			
40	40	2	5	Do. pref.	....	(38½ bid 50 asked)			
12	12	1	8.3	Can. Lt. & Pr.	....	(12½ bid 13 asked)			
9	8¾	.	...	Can. Locomo.	70	8¾	9	8½	8½
.60	.55	4c	...	Can. Marconi	....	(.60 bid 1.00 asked)			
15	15	50+70c	8	Can. Oil	....	(— bid 21 asked)			
123	122	8	6.5	Do. pref.	5	122	122	122	122
6½	5¾	.	...	Can. Pacific	3507	6	6	5¾	5¾
.35	.25	.	...	C. Pr. & Pa. In.	100	.25	.25	.25	.25
1.50	1.50	.	...	Do. pref.	....	1.25 bid 2.00 asked			
3	2¾	.	...	Can. Vickers	50	3	2¾	2¾	2¾
24	20	.	...	Do. pref.	40	23	23	23	23
9½	9½	1	...	C. Wallpaper A.	65	..	9½	9½	9½
10	9	1	...	Do. (B)	....	(9½ bid 10 asked)			
42½	42	2	4.7	Can. West'ho'se	22	42	42½	42	42½
19	18	1.50+25c▲	8	C. Wire Box.	10	18	19	19	19
1.20	1.05	.	...	Capital Estates	....	(— bid 1.15 asked)			
119½	119½	5	4.2	Carnation, pfd.	....	(119½ bid — asked)			
6½	5	.	...	Catelli Food	8	6	5	5	5
8	8	75c	...	Do. pref.	50	..	8	8	8
†2.00	1.50	.	...	Celtic Knit	....	(— bid — asked)			
†155	145	8	5.5	Cent. Can. L'n.	....	(125 bid 140 asked)			
80	80	4	5	Chart. Trust	....	(70 bid 80 asked)			
3½	3½	.	...	Ch. Gai Wines.	40	3½	3½	3½	3½
.12½	.09	.	...	Chem. Research	600	.09	.10	.09½	.10
†.40	.25	.	...	City Gas & El.	....	(.25 bid .25 asked)			
.05	.05	.	...	Claude Neon	....	(.05 bid .10 asked)			
1.42	1.15	12c	...	Coast Brew	2250	1.20	1.18	1.15	1.15
6	5	50c	...	Cockshutt Plow	710	6	6	5¾	5¾
2	2	15c	..	Comm. Alcohol	200	2	2	2	2
6½	5¾	40c	6.4	Do. pref.	....	(5¾ bid 6½ asked)			
†4½	3	25c	...	Conduits Nat.	....	(3¾ bid 4½ asked)			
10½	10	60c	6	Cons. Bakeries.	210	10	10½	10	10
.01	.01	.	...	Cons. Div. Sec.	27	.01	.01	.01	.01
7½	7½	75c	...	Do. pref.	....	(7½ bid — asked)			
3¾	2¾	.	...	Cons. Paper	2809	3	3	2¾	2¾
3	2½	.	...	Cons. Press	25	2¾	2¾	2¾	2¾
81½	81½	‡3.50	..	Cons. Sand, pf.	50	81½	81½	81½	81½
39	37¾	1+1.50	6.6	Cons. Smelters	1432	38½	38½	37¾	38
132	126	8	6.1	Consumers' Gas	38	130	131	130	131
65	65	5.25+3.50▲	..	Corr. P. Box, p	....	(.50 bid .65 asked)			
21½	19	1.20+15c	7	Cosmos Imp.	140	19¾	19½	19	19
23½	23	2	8.3	Crown Cork	40	23	23	23	23
†1½	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
33	31	3	9.7	Crow's N. Coal.	....	(30 bid 32 asked)			
.70	.50	.	...	Cub Aircraft	175	.50	.50	.50	.50

D, E

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
10½	10	1	...	David & Fre. A.	....	(10 bid — asked)			
†1.60	1.00	.	...	Do. (B)	....	(— bid 2 asked)			
†8½	7	.	...	de Havilland	....	(— bid 10 asked)			
80	75	.	...	Do. pref.	....	(70 bid 80 asked)			
1.15	1.00	.	...	Disher Steel	....	1.15 bid 2.00 asked			
10	10	1.50	...	Do. pref.	....	(8 bid 12 asked)			
26½	22	2.22	9.8	Distill-Seagram	890	23½	23½	22½	22½
97½	92	5	5.1	Do. pref.	....	(90½ bid 97 asked)			
†30	30	2.50	8.3	Dom. Ang. Inv.	....	(30 bid — asked)			
†75	70	5	6.7	Do. pref.	....	(73¾ bid 84 asked)			
191	188	10	5.2	Dom. Bank	24	190	191	189	190
23¾	22¼	1.20	5.2	Dom. Bridge	160	23½	23½	22¾	22¾
15¾	14¾	.	...	Dom. Coal, pf.	125	15½	15	14¾	14¾
25	25	.	...	Dom. Engineer.	....	(20 bid 25 asked)			
19	17½	1+25c	7	Dom. Foundries	50	18½	17½	17½	17½
106½	105	6	5.7	Do. pref.	....	105 bid 106½ asked			
113	110	5	4.5	Dom. Glass	25	111	111	111	111
151	150	7	4.7	Do. pref.	15	150	150	150	150
25½	25	1.20+40c	6	Dom. Oilcloth.	25	25	25½	25½	25½
.60	.60	.	...	Dom. Scot. Inv.	20	..	.60	.60	.60
24½	24½	‡2.25	..	Do. pref.	....	(24½ bid 25 asked)			
1½	1½	.	...	Dom. Square	....	(1½ bid — asked)			
7	5½	.	...	Dom. St. & C.B.	2185	6½	6½	6¾	6¾
4¾	4	.	...	Dom. Stores	45	4½	4½	4½	4½
4½	3¾	.	...	Dom. Tar & Ch.	325	4	4	3¾	3¾
87½	85¾	5.50	6.4	Do. pref.	....	(85¾ bid — asked)			
82½	78	5	6.4	Dom. Textile	30	80	79¾	78	78
154	152	7	4.5	Do. pref.	7	152	154	154	154
1.25	.75	.	...	Dom. Woollens.	....	(.75 bid 1.50 asked)			
7¾	7	60c	8.2	Do. pref.	475	7¾	7¾	7	7½
4	3½	10c	...	Donnacona P.	137	3½	3¾	3½	3½
6	4¾	.	...	Dryden Paper	230	5½	5	4¾	4¾
†.50	.50	.	...	East Koot. Pr.	....	(— bid — asked)			
7	7	.	...	Do. pref.	....	(6 bid 10 asked)			
.50	.50	.	...	East Dairies	....	(.25 bid .50 asked)			
8½	7	.	...	Do. pref.	18	8½	8½	7½	8½
12	10	1	10	East Steel	225	10	10	10	10
4½	4	.	...	East Theat.	....	(6 bid — asked)			
3	3	.	...	Easy Washing	....	(— bid 3½ asked)			
25	25	2	...	Economic Inv.	....	(— bid 25 asked)			
4½	3	.	...	Electrolux	5	3	3	3	3
3½	3½	.	...	Enam. & Heat.	....	(— bid 3½ asked)			
29½	27	2.50	...	English Electric	....	(25 bid 29 asked)			
3	1½	.	...	Do. (B)	9	3	3	3	3
4½	4½	15c	3.3	Equitable Life.	10	4½	4½	4½	4½

F, G

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
2.00	1.75	.	...	Fairchild Air	85	1.75	1.80	1.80	1.80
19½	17	1	5.1	Fam. Players	....	(18¾ bid — asked)			
22½	16	1.50+25c	10½	Fanny Farm.	1810	18	18	16	16
3¾	3½	.	...	Fleet Aircraft	65	3½	3¾	3¾	3¾
.20	.20	.	...	Fleury Bissell	....	(.20 bid .50 asked)			
†16	10	.	...	Do. pref.	....	(9 bid 12 asked)			
16½	15	1	6.2	Ford Motor A.	1700	16½	16½	16	16½
17	15¾	1	5.9	Do. (B)	....	(16½ bid — asked)			
†.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16½	14½	1+25c	8.7	Foundation Co.	210	14¾	14¾	14½	14½
13	9½	.	...	Fraser Cos.	....	(10½ bid — asked)			
13½	11½	.	...	Do. Vot. Tr.	150	12	12½	11¾	11¾
†.50	.50	.	...	Freiman	....	(.50 bid — asked)			
†55	41	4.50	...	Do. pref.	....	(50 bid — asked)			
6	5	70c	...	Gatineau Pwr.	225	5½	5½	5	5½
74	70	5	7.2	Do. pref.	65	70	71	70	70
80	76	5.50	7.2	Do. 5½% pref.	20	79	80	77	77
†1.25	.15	.	...	Do. Rights	....	(— bid .25 asked)			
6½	5	50c	...	Gen. St. Wares.	325	5	5½	5½	5½
92	89	7+27c▪	8	Do. pref.	15	92	89½	89½	89½
60	44¾	2.50+1.50	9	Goodyear Tire	30	45	45	44¾	44¾
49½	46½	2.50	5.4	Do. pref.	32	47	47½	46½	46½
†67	67	‡7	...	Gould Pumps	....	(— bid — asked)			
†4	2½	.	...	Gt. Lakes Pap.	....	(1½ bid 3¾ asked)			
†16	16	1.50	...	Do. pref.	....	(— bid 17 asked)			
2½	1¾	.	...	Do. Vot. tr. c.	....	(1½ bid 2½ asked)			
16	15	1.50	...	Do. Vot. tr. p.	....	(15½ bid 16¾ asked)			
4½	4½	.	...	Gt. W. Saddlery	384	4½	4½	4½	4½
28	28	‡5.25	..	Do. pref.	....	(26½ bid 32 asked)			
11	11	60c	5.4	Greening Wire.	95	11	11	11	11
§1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
2½	2½	.	...	Gurd, Chas.	....	(2 bid 2½ asked)			
§107½	106½	.	...	Do. pref.	....	(— bid 90 asked)			
3½	2½	.	...	Gypsum, Lime.	1540	3	3	2½	2½

H, I

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
†17	16½	1	...	Halifax Fire	....	(— bid — asked)			
3¾	3	.	...	Ham. Bridge	481	3½	3½	3	3½
35½	35	2+2▲	5.7	Ham. Cot., pf.	5	35	35½	35½	35½
1.50	1.50	.	...	Ham. U. Theat.	....	(.50 bid 1.70 asked)			
75	75	5	6.7	Do. pref.	....	(50 bid 85 asked)			
3½	2	20+10c	..	Harding Carpet.	50	3½	3	3	3
.25	.25	.	...	Hillcrest Coll.	....	(.25 bid 1.00 asked)			
2½	2½	.	...	Do. pref.	....	(2½ bid — asked)			
12	10½	‡62½c	..	Hinde & Dauch	170	12	10½	10½	10½
•20	20	.	...	Holt Renfrew.	....	(— bid — asked)			
†35	35	.	...	Do. pref.	....	(40 bid 45 asked)			
18	16	2	11.1	Honey Dew	....	(18 bid — asked)			
14	11	.	...	H. Smith Pap.	75	11½	11½	11½	11½
100	99	6	6	Do. pref.	....	(96½ bid 100 asked)			
9¾	9¾	.	...	Humberstone S.	....	(— bid 8 asked)			
8½	6½	.	...	Hunts (A)	....	(— bid 7½ asked)			
8½	7	.	...	Do. (B)	....	(— bid 8½ asked)			
55	53½	4	7.4	Huron & E. Mt.	....	(54½ bid 55 asked)			
8	7½	80c	...	Do. 20% pd.	....	(— bid 8½ asked)			
1.00	.75	.	...	Hydro Electric.	50	1.00	.75	.75	.75
204	200	10	4.9	Imperial Bank.	44	200½	204	200	200
†275	275	15	5.4	Imperial Life	....	(270 bid — asked)			
9½	8¾	50c	5.9	Imperial Oil	5706	8¾	8¾	8¾	8½
12½	11¾	40+22½c	5	Imperial Tob.	625	12	12½	11¾	11¾
7½	6¾	6%	4	Do. pref.	700	6¾	7	6¾	7
9¾	9½	1	10.5	Indust. Accept.	....	(9½ bid 10 asked)			
25	22	3	...	Inter-City Bak.	5	22½	25	22	25
†50	39	‡5+1	..	Inter'c Coal	....	(— bid — asked)			
§120	120	8	...	Do. pref.	....	(— bid — asked)			
12½	11½	1.50	13.4	Inter. Bronze	20	11½	11½	11½	11½
22½	21	1.50	7.2	Do. pref.	70	22	21	21	21
†.30	.25	3c	..	Int. Coal & C.	....	(.25 bid .40 asked)			
7¾	6½	.	..	Int. Metal Ind.	45	7½	6½	6½	6½
99	95	6+6▲	6.3	Do. pref.	5	95	95	95	95
92	92	6+6▲	6.5	Do. pref. A.	100	95½	92	92	92
115	111	5	4.4	Int. Mill., pf.	30	112½	112	111½	112
36½	33½	2	5.9	Int. Nickel	3085	34½	34½	33½	33½
157¾	157¾	7	4.4	Do. pref.	....	(— bid — asked)			
1.50	1.05	.	...	Int. Paints	....	1.00 bid 2.25 asked			
13	13	1+25c▲	7.7	Do. pref.	....	(12½ bid 20 asked)			
16	16	.	...	Int. Pap. & P.	200	..	16	16	16
65	65	5	7.7	Do. pref.	100	..	65	65	65
13½	12	1	8	Int. Pete.	1664	12½	12½	12½	12½
2½	2½	.	...	Int. Power	....	(2½ bid — asked)			
90	85	7	8	Do. pref.	10	88	87	87	87
•11½	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
3	3	.	...	Int. Util. (A)	....	(3½ bid — asked)			
.10	.08	.	...	Do. (B)	....	(.05 bid .15 asked)			

J, K, L

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
†13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13 asked)			
115	115	7	6.1	Do. pref.	....	(— bid 114¾ asked)			
8½	8	.	...	Kelvinator	5	8½	8½	8½	8½
10	7	.	...	L. St. John Pr.	90	7½	8	7	7½
17½	16	1	5.8	Lake of Woods.	62	17½	17½	16	16
†125½	110	7	6.1	Do. pref.	....	(117 bid — asked)			
48	47½	4	8.3	Landed Bank	....	(47½ bid 54 asked)			
10¾	10¾	70+12½c	..	Lang, J. A.	....	(10¾ bid 15½ asked)			
•3½	2½	.	...	Langley's	....	(— bid 1 asked)			
21	20	2	...	Do. pref.	10	21	21	21	21
10¾	8½	80c	9.4	Laura Secord.	255	9	8¾	8½	8½
9½	9	.	...	Legare, pref.	....	(8 bid 12 asked)			
3½	2½	30c	...	Levy Bros.	....	(2 bid 3½ asked)			
6	5	.	...	Lindsay, C. W.	....	(5½ bid 7½ asked)			
†55	50	.	...	Do. pref.	....	(50 bid — asked)			
25¾	22½	1+25c	5.6	Loblaw (A)	742	23¾	23¾	22½	22½
23¾	21½	1+25c	5.8	Do. (B)	225	22	22	21½	21½

M

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air	....	(— bid — asked)			
2	2	.	...	Mackin. Steel	....	(— bid — asked)			
65	60	5	8.3	Do. pref.	....	(55 bid 75 asked)			
16	15	25c	..	Maclaren Pr.	280	15½	15	15	15
7	5	.	...	M. L. Gardens.	2	5	5	5	5
5½	4½	40c	8	Do. pref.	....	(5 bid 6 asked)			
3	2	.	...	Maple Leaf M.	645	2½	2½	2	2½
4½	4	.	...	Do. pref.	277	4½	4	4	4
†16½	15	75+10c	5	Maritime Tele.	....	(— bid 16½ asked)			
17	17	70c	4.1	Do. pref.	40	..	17	17	17
†18	14¾	.	...	Marcus Loew's.	....	(17½ bid — asked)			
•100	100	7+7▲	..	Do. pref.	....	(93 bid — asked)			
2.12	1.50	.	...	Massey-Harris	1170	1.50	1.80	1.55	1.60
56½	50½	.	...	Do. pref.	60	52½	50½	50½	50½
3½	2¾	.	...	Do. com., new	305	3	3½	2¾	3
12½	10¾	.	...	Do. pf., new	265	11	11	10¾	10¾
4½	3	.	...	McColl Fron.	340	3¾	3¾	3½	3¾
95	88	6	6.5	Do. pref.	65	92	92	92	92
1.00	1.00	.	...	Melchers	....	1.00 bid 1.25 asked			
6	5½	60c	10.9	Do. pref.	5	5½	5½	5½	5½
2¾	2½	.	...	Mercury Mills	....	(2½ bid 3 asked)			
†50	45	2.50	...	Mitchell, J. S.	....	(— bid 50 asked)			
13	11½	1.50	11.5	Mitchell, Robt.	140	13	13	13	13
†17½	15	80+40c	8	Mod. Contain.	....	(— bid 15 asked)			
†98	97½	5.50	5.6	Do. pref.	....	(— bid 100 asked)			
†2	1½	.	...	Monarch Knit.	....	(— bid — asked)			
62	62	7	...	Do. pref.	....	(50 bid 65 asked)			
†65	55	4	6.7	Montreal Cot.	....	(— bid — asked)			
115	111½	7	6.2	Do. pref.	....	(112 bid — asked)			
.25	.25	.	...	Mont. Is. Pr.	3	.25	.25	.25	.25
24	21	1.50	7	Mont. L. & Pr.	2190	21½	21¾	21	21
§60½	49½	.	...	Do. Notes	....	(— bid 49½ asked)			
15	13	1.25	9.4	Montreal Loan.	....	(13 bid — asked)			
.75	.70	.	...	Mtl. Refrig & S	5	.70	.75	.75	.75
12½	11½	1.25	...	Do. pref.	5	12½	12	12	12
24½	23½	°1.96	..	Montreal Tele.	....	(23½ bid — asked)			
17½	16	.	...	Montreal Trams	....	(15 bid 16 asked)			
45	43	2.22+66½	6½	Moore Corp.	228	44¾	44¾	44	44½
178	174	7	4	Do. pref. (A)	....	(176 bid 186 asked)			
265	260	7	2.6	Do. pref. (B)	5	264	265	265	265
.10	.10	.	...	Muirheads	25	.10	.10	.10	.10
§1	1	.	...	Do. pref.	....	(— bid — asked)			

N, O

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
26	24½	2	8.2	Nat. Breweries.	267	24½	25	24½	25
39½	38	1.75	4.6	Do. pref.	10	39	38	38	38
4½	4½	.	...	Nat. Grocers	100	4¾	4½	4½	4½
26	24½	1.50	5.9	Do. pref.	150	25½	25½	24½	24½
9	8½	.	...	N. Sew. Pipe A.	....	(8½ bid 11½ asked)			
34¾	32½	2	6.1	Nat. Steel Car	148	34	33½	32¾	33
135½	135½	8	5.9	National Tr.	....	(136 bid 140 asked)			
§9½	9½	60c	...	Neon Prod.	....	(— bid — asked)			
18	17	2	11.8	Niag. W. Weav.	160	18	17½	17	17
†3¾	2	.	...	Noorduyn Av.	....	(2½ bid 3 asked)			
.25	.25	.	...	North Star Oil.	....	(.35 bid .75 asked)			
3	2¾	35c	11.6	Do. pref.	....	(3 bid — asked)			
†88	86	6	6.8	N. S. L. & Pr.	....	(87 bid — asked)			
108¾	108¾	6	5.5	Do. pref.	....	(105½ bid — asked)			
22	20	1	5	Ogilvie Flour	290	20½	20	20	20
155	151	7	4.6	Do. pref.	26	152	152	151	151
108	108	5	4.6	Ontario Loan	....	110 bid 113¾ asked			
†3	3	.	...	Ont. Silknit	....	(— bid 2 asked)			
†45	35	‡3	...	Do. pref.	....	(— bid 40 asked)			
10	10	1	...	Do. Scripts	....	(7 bid — asked)			
†11	8½	1	...	Ont. Steel	....	(— bid 11 asked)			
†110	110	7	6.4	Do. pref.	....	(103 bid 120 asked)			
†2	1	.	...	Orange Crush	....	(— bid .95 asked)			
3	2½	.	...	Do. pref.	27	2½	2½	2½	2½
†8½	5	40c	6.7	Ott. Car Air	....	(5 bid — asked)			
16	15	1.20+50c		Ottawa El. Rly.	40	16	15	15	15
5	4	60c	12	Ott. L. H. & Pr.	25	5	5	5	5
80	80	5	6.2	Do. pref.	....	(— bid 80 asked)			

P, Q, R

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
†35	33	3c	..	Pacific Coyle	....	(— bid — asked)			
103	99	5	5.1	Page Hersey	25	99½	100	99	99
†4¾	4¾	.	...	Pantepec Oil	....	(4 bid 5½ asked)			
†30½	25	2	6.6	Paton Mfg.	....	(30½ bid 33 asked)			
†115	115	7	6.1	Do. pref.	....	(112½ bid — asked)			
48	47¾	3	6.2	Penmans	....	(— bid 48 asked)			
†124	120	6	4.9	Do. pref.	....	(121 bid — asked)			
14½	13	1	6.9	Photo Eng.	....	(13 bid 13½ asked)			
96	96	7	7.3	Porto Rico Pr p	....	93½ bid 100½ asked			
4½	3	30c	...	Power Corp.	320	3¾	3½	3½	3½
82	77	6	7.8	Do. pref.	65	77	77	77	77
33	32	3	9.1	Do. 2nd pref.	....	(33 bid 37 asked)			
4¾	3¾	.	...	Pressed Metals.	....	(4½ bid — asked)			
11	8	.	...	Price Bros.	275	10½	10	9¾	9¾
70	68¾	5.50	7.8	Do. pref.	85	69	70	68¾	68¾
6	5½	40c	7.3	Prov. Transport	40	6	5½	5½	5½
13	11	1	8.3	Quebec Power.	42	12	12	12	12
4	4	.	...	Que. Telephone	....	(4 bid — asked)			
†30	24	2	6.7	Real Estate L'n	....	(24 bid — asked)			
3½	3½	‡25c	...	Regent Knit	250	3½	3½	3½	3½
17	17	1.60	9.4	Do. pref.	....	(17 bid 18 asked)			
3	3	.	...	Reliance Grain.	....	(3 bid — asked)			
†67	60	6.50	9.7	Do. pref.	....	(65 bid 72 asked)			
22	22	2	9	River S. Mill	....	(17¾ bid 21 asked)			
8	7	60c	8.5	Rolland Pap.	....	(6½ bid 7¾ asked)			
94	91½	6	6.5	Do. pref.	10	91½	91½	91½	91½
155	151	8	5.2	Royal Bank	66	153	153	152	152
15¾	15½	80c	5.1	Russell Indust.	45	16½	15¾	15½	15½
150	150	7	4.7	Do. pref.	....	(— bid 158 asked)			

S

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
106	105	5.50	5.2	Saguenay Pr. p.	24	105	105	105	105
†34½	34½	1	...	Sangamo	....	(20 bid 33½ asked)			
6½	6½	.	...	Sarnia Br. (A)	....	(6 bid 8 asked)			
†1	¾	.	...	Do. (B)	....	(1 bid 3 asked)			
..	..	1+50c	..	Scythes & Co.	....	(15 bid 19¾ asked)			
..	..	1.75	...	Do. pref.	....	(25 bid — asked)			
14	13½	90c	6.7	Shawinigan Pr	1765	13¾	13¾	13½	13½
13½	13	15c	...	Sher. Wms.	49	13	13½	13	13
115	115	7	6.1	Do. pref.	....	115 bid 117¾ asked			
8	6½	40c	5.7	Silverwoods	200	7	7	7	7
6½	6	40c	6.7	Do. pref.	55	6	6½	6	6
7½	7	60c	8	Simon & Sons	....	(7½ bid 8¾ asked)			
†106	103	7	6.8	Do. pref.	....	(— bid 105 asked)			
7½	7½	.	...	Simpson, A.	....	(4 bid 7 asked)			
2.00	1.60	.	...	Do. (B)	....	(2 bid 2½ asked)			
89	75	6.50	8.1	Do. pref.	....	(79½ bid 83 asked)			
†135	132	6	4.4	Simpson, R., pf.	....	(132 bid 140 asked)			
9½	8¾	80c	9.1	So. Can. Pr.	10	9	8¾	8¾	8¾
102½	99½	6	5.9	Do. pref.	29	101	100½	100	100½
2.00	1.50	.	...	St. Law. Corp.	....	1.50 bid 1.60 asked			
15½	13½	1+1▲	7.3	Do. (A)	210	14¾	14	13½	13½
22	22	1.40	6.3	St. Law. Flour.	100	22	22	22	22
115	115	7	6.1	Do. pref.	....	(115 bid — asked)			
43	36	3+1.50▲	7	St. Law. Pap. p	147	41	40	38	38
11	9	‡1.25	...	Stand. Chem.	....	(9½ bid 11¾ asked)			
†5	1	.	...	Stand. Clay	....	(2 bid 3 asked)			
.50	.45	.	...	St. Pav. & Mat.	....	(.50 bid .65 asked)			
4½	4½	‡62½c	..	Do. pref.	40	4½	4½	4½	4½
3¾	3	20c	5.5	Stand. Radio	....	(3½ bid 3½ asked)			
20	16	60+60c	7	Stedman Bros.	25	17½	17	16	17
63½	61	3	4.8	Steel of Can.	80	63	62½	61½	62
70½	68	3	4.4	Do. pref.	15	68½	68½	68	68½
†3¾	2	.	...	Sterling Coal	....	(— bid 5 asked)			
†.15	.15	.	...	Stop & Shop	....	(— bid .20 asked)			
13½	13½	80+50c▪	6	Stuart, D.A. pf	....	(11½ bid 13½ asked)			
§3	2¾	.	...	Supersilk H. A.	....	(— bid 2½ asked)			
3	2¾	.	...	Do. (B)	....	(— bid 3 asked)			
70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
19	19	1+25c	6.6	Sup. Pete. ord.	....	(19 bid 21½ asked)			
20	20	1+25c	6.2	Do. com.	....	(18¾ bid 32 asked)			

T, U, V

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
11½	9	80c	7.6	Tamblyn	21	11	10¾	9	9
52¾	52½	2.50	4.8	Do. pref.	10	52½	52½	52½	52½
§3	3	.	...	Thayers	....	(1½ bid 3 asked)			
§36	20	3.50	...	Do. pref.	....	(20 bid 35 asked)			
1	1	.	...	Thrift Stores	....	(1 bid 2½ asked)			
11	10	.	...	Do. pref.	25	10	11	11	11
8½	7	60c	8	Tip Top Tailors	....	(— bid 8 asked)			
106	105	7	6.7	Do. pref.	....	100 bid 104½ asked			
†1.50	1.00	.	...	Tooke Bros.	....	(1.00 bid — asked)			
†13	11	.	...	Do. pref.	....	(10 bid 15 asked)			
20	20	1	5	Tor. Elevators	140	20	20	20	20
50	48¾	2.62½	5.2	Do. pref.	15	49½	50	48¾	48¾
76	70	4	5.3	Tor. Gen. Tr.	....	(66 bid 76 asked)			
73½	68	5	7.2	Toronto Mtge.	....	(75 bid 80 asked)			
150	147	7	4.7	Tuckett Tob. p.	10	148	147	147	147
3.25	1.00	.	...	Twin City	....	(2 bid — asked)			
28½	28½	.	...	Do. pref.	....	(— bid — asked)			
10¾	9½	80+20c	10	Union Gas	1665	9¾	10	9½	10
†13½	12	80c	6.2	Un. Amuse. A.	....	(12 bid — asked)			
†13½	13	80c	5.9	Do. (B)	....	(12 bid — asked)			
1.20	.75	10c	...	United Distill	....	(.90 bid — asked)			
36	35	3	8.6	United Fuel, pf.	....	(31½ bid 36 asked)			
3¾	3¾	.	...	Do. B. pref.	....	(— bid 3¾ asked)			
2½	1	.	...	United Secs.	....	(— bid — asked)			
4	3	.	...	United Steel	1625	3½	3¾	3	3
3¾	3	.	...	Viau Bisc.	....	(3 bid — asked)			
52	50	5	10	Do. pref.	....	(48¾ bid — asked)			

W, Y, Z

Range 1942 High	Low	Div R'te $	Feb14 Y'ld %		Sales	Last Feb. 9	Week end. Feb. 16 H	L	Cl'se
40	36	2+50c	6.9	Wabasso Cot.	25	39	36	36	36
50½	43½	4	9	Walker-Good.	295	44	44	43½	44
21	19	1	5.2	Do. pref.	505	19¾	19¾	19	19½
1.05	1.00	5c	...	Walkerville Br.	400	1.05	1.05	1.05	1.05
§135	120	7	...	W. Koot. Pr. pf	....	(135 bid — asked)			
1.00	1.00	.	...	West. C. Flour.	....	1.00 bid 1.40 asked			
22	18	.	...	Do. pref.	5	19	18	18	18
50	49	3	6.1	West Grocers	7	50	49	49	49
110½	110½	7	6.3	Do. pref.	7	..	110½	110½	110½
§15½	11½	50c	...	W'minster Pap.	....	(— bid — asked)			
11½	9¾	80c	7.9	Weston Ltd.	160	10½	10½	9¾	9¾
94½	94	5	5.3	Do. pref.	....	(83 bid 96 asked)			
16½	16	1	6.2	Wilsils	25	16½	16	16	16
1.15	.65	.	...	Winnipeg El. A.	182	1.15	1.15	1.00	1.05
1.25	1.00	.	...	Do. (B)	4	1.00	1.00	1.00	1.00
7¾	7	.	...	Do. pref.	70	7½	7¾	7	7¾
80	78	7	8.7	Wood A. & J. p	....	(74 bid 82 asked)			
60	55	.	...	Woods Mfg. pf.	....	(— bid 65 asked)			
4½	4½	40c	...	York Knitting.	....	(4½ bid 5½ asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
11½	11	80c	6.9	Zellers	....	(11½ bid — asked)			
25	24½	1.50	6.2	Do. pref.	....	(24 bid — asked)			

Quotations: †1941. § 1940. • 1939. * 1938.
▲ On account of arrears.
▪ Participating. ‡ Paid in 1941.
° Paid in 1941 after corporate income tax.

Mining Stocks

Week Ending February 16

A

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
No	.16½	.11½	Aldermac	8,600	.13	.12½	.11½	.12
1	.00½	.00½	Amm. Gold	......	(.00½ bid .01 asked)			
No	2.55	2.25	Anglo-Huronian	......	(.... bid .250 asked)			
No	*.40	.30	Argus Interests	......	(.35 bid .50 asked)			
No	†.03	.01	Arno	......	(.... bid .01½ asked)			
1	.10	.06	Arntfield	8,500	.07½	.07	.06	.06
1	.04½	.03½	Ashley	1,000	.04	.03½	.03½	.03½
1	.01½	.01½	Astoria Quebec	......	(.01½ bid .02 asked)			
1	1.47	1.12	Aunor Gold	2,110	1.30	1.26	1.12	1.13

B

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.06	.05	Bagamac	......	(.05½ bid .08 asked)			
1	.05½	.04½	Bankfield	9,200	.05	.05	.04½	.04½
No	.09½	.07	Base Metals	3,700	.08	.07½	.07	.07
1	.06½	.04	Bear Exploration	6,000	.06	.06½	.04	.05
1	.94	.80	Beattie Gold	6,450	.89	.86	.80	.80
1	*.09	.03½	Beaufor	......	(.03 bid .05 asked)			
1	*1.00	.90	Berens River	......	(.60 bid 1.00 asked)			
1	.10	.08	Bidgood Kirk.	9,800	.08½	.08	.08	.08
1	.09	.06½	Bobjo	9,200	.08½	.08½	.07	.07½
1	.32½	.16	Bonetal Gold	600	.27	.20	.16	.16
1	.02	.01½	Bouscadillac G.M.	......	(.01½ bid .02½ asked)			
No	9.30	7.85	Bralorne	380	8.25	8.30	7.85	8.00
1	*.03	.02½	Brazil Gold	......	(.... bid .02½ asked)			
1	*.01½	.00½	Brett Trethewey	......	(.00½ bid .00½ asked)			
1	.61	.42	Broulan Porc.	22,600	.52	.52½	.42	.43
1	2.80	2.25	Buffalo Ankerite	900	2.50	2.50	2.25	2.25
No	.02½	.01¾	Buffalo Can.	500	.02½	.01¾	.01¾	.01¾
5	12.50	7.00	Bulolo Gold	350	8.00	7.00	7.00	7.00
No	*.03	.01	Bunker Hill	......	(.01 bid .... asked)			

C

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	*.11	.05	Camp Bird	......	(.... bid .... asked)			
No	.49	.40	Can. Malartic	3,225	.45	.46	.40	.40
1	1.72	1.45	Cariboo Gold	400	1.45	1.50	1.45	1.45
1	.01	.00½	Cartier Malartic	1,000	.01	.01	.01	.01
1	.55	.45	Castle Trethewey	1,300	.50	.51	.51	.51
1	.05	.05	Cen. Cadillac	3,000	.05	.05	.05	.05
1	1.30	.97	Cen. Patricia	10,625	1.05	1.05	.97	1.00
1	.10½	.08	Cen. Porcupine	7,000	.09½	.09½	.08	.08
1	*.18½	.15	Century Mining	......	(.... bid .13½ asked)			
1	1.50	.99	Chesterville	26,527	1.15	1.15	.99	1.02
No	2.20	1.55	Chromium	......	(1.20 bid 2.00 asked)			
5	1.10	.95	Coast Copper	400	1.00	1.10	1.00	1.00
1	.59½	.46	Cochenour Willans	3,800	.54	.51	.46	.46
5	*1.55	1.00	Coniagas	......	(1.15 bid .... asked)			
No	.94	.80	Coniaurum	1,300	.93	.86	.80	.85
5	39.00	37.75	Cons. Smelters	1,432	38.50	38.50	37.75	38.00

D, E

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.65	.50	Delnite	200	.55	.50	.50	.50
1	.04½	.03½	Denison Nickel	2,000	.03½	.03½	.03½	.03½
No	17.50	15.00	Dome Mines	1,760	16.62	16.50	15.00	15.00
1	.10	.05½	Duquesne	2,000	.06½	.06	.05½	.05½
1	2.22	1.81	East Malartic	11,550	1.99	2.00	1.81	1.81
1	.49	.36	Eldorado	2,900	.40	.41	.39	.39

F, G

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
No	3.60	3.10	Falconbridge	1,510	3.45	3.40	3.25	3.25
1	.02½	.01½	Federal	1,000	.02½	.01½	.01½	.01½
1	.02¼	.01½	Fernland	4,000	.02	.02	.01½	.02
No	.42½	.29½	Francoeur Gold	8,000	.34	.34	.29½	.30
1	.03½	.03	Gillies Lake	3,000	.03½	.03½	.03½	.03½
1	.01	.01	Glenora	500	.01	.01	.01	.01
No	.20	.12½	God's Lake	3,700	.15	.16	.14	.14
1	.09½	.09	Goldale	1,000	.09½	.09½	.09½	.09½
50c.	.13	.13	Gold Belt	......	(.14 bid .... asked)			
1	.05½	.04½	Gold Eagle	6,000	.05	.05	.04½	.04½
1	.04½	.02½	Golden Gate	3,000	.03	.03	.02½	.02½
1	*.02	.00¾	Goodfish	......	(.00¾ bid .01½ asked)			
1	*.02½	.01¾	Graham Bosquet	......	(.02 bid .02½ asked)			
No	.04½	.03¼	Grandora	......	(.04 bid .05½ asked)			
1	.01½	.01½	Grull Wihksne	......	(.01½ bid .02 asked)			
1	.14	.09½	Gunnar Gold	9,900	.10	.10½	.09½	.09½

H, I, J

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.03	.02	Halcrow Swayze	1,000	.02½	.02	.02	.02
1	.00½	.00½	Halliwell Gold	......	(.00¾ bid .... asked)			
1	3.00	2.25	Hallnor Mines	600	2.25	2.40	2.25	2.25
1	.55	.45	Hard Rock	3,986	.48	.47½	.45	.45
1	.02½	.02½	Harker	1,000	.02½	.02½	.02½	.02½
1	*.58	.43	Hedley Mascot	......	(.25 bid .30 asked)			
5	10.50	7.50	Hollinger	3,390	9.30	9.25	7.50	7.55
1	.20	.16	Howey Gold	450	.18	.19	.19	.19
No	28.12	26.25	Hudson Bay	1,545	27.25	27.00	26.25	26.25
1	.30	.25½	Inspiration	500	.27½	.25½	.25½	.25½
No	36.25	33.50	Int. Nickel	3,085	34.25	34.50	33.50	33.50
50c.	*1.30	.85	Island Mountain	......	(.... bid 1.35 asked)			
1	.01	.01	Jacola	......	(.00½ bid .01½ asked)			
1	.20	.15	Jack Waite	......	(.13 bid .20 asked)			
1	.29½	.25	Jason Mines	2,300	.30	.29	.29	.29
1	.02½	.02	Jellicoe	......	(.02½ bid .02½ asked)			
1	.01½	.00½	J. M. Cons. Gold	11,000	.01	.01½	.01	.01
1	.03½	.02	Joliet Quebec	8,500	.03	.03	.02½	.03

K, L

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	4.35	3.50	Kerr Addison	15,337	3.80	3.80	3.50	3.60
1	.22	.22	Kerr Lake	......	(.... bid .... asked)			
1	.05	.01½	Kirk. Gold Rand.	......	(.01 bid .05 asked)			
1	.26	.20	Kirk. Hud. Bay	1,600	.25	.25	.20	.20
1	.62	.55	Kirkland Lake	5,400	.60	.58	.55	.56
1	12.00	9.60	Lake Shore	865	10.00	10.25	9.60	9.60
No	4.15	3.70	Lamaque Gold	2,100	4.00	3.80	3.70	3.70
1	.09	.05½	Lapa Cadillac	1,000	.07	.06	.06	.06
1	.01½	.01	Lebel Oro	500	.01½	.01	.01	.01
1	.45	.38½	Leitch Gold	4,950	.39½	.40	.38½	.39
No	1.35	1.15	Little Long Lac	2,100	1.25	1.25	1.15	1.18

M

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	2.85	2.25	Macassa	4,470	2.55	2.55	2.25	2.25
1	1.68	1.39	MacLeod Cockshutt	10,116	1.60	1.57	1.39	1.42
1	.51½	.36	Madsen Red Lake	6,900	.42	.42	.36	.38
1	2.22	1.40	Malartic Gold	54,775	1.80	1.77	1.40	1.47
No	.24½	.20	Mandy	1,700	.24½	.24½	.24	.24½
No	.00½	.00½	Man. & Eastern	......	(.00½ bid .00½ asked)			
1	.01½	.01½	Marlago	......	(.02 bid .04½ asked)			
5	45.50	39.37	McIntyre	232	41.87	41.00	39.50	40.00
1	1.04	.80	McKenzie R.L.	3,400	.87	.90	.80	.80
1	.02½	.01½	McLellan Gold	1,500	.01½	.01½	.01½	.01½
1	.04½	.04½	McVittie Graham	400	.04½	.04½	.04½	.04½
No	.10	.08½	McWatters	1,000	.10	.09½	.09½	.09½
5	*.20	.15	Mentor Exploration	......	(.15 bid .42 asked)			
No	1.40	1.18	Mining Corp.	1,800	1.19	1.23	1.18	1.20
1	†1.05	.05	Moffatt Hall	......	(.01 bid .... asked)			
1	.27	.23½	Moneta	6,700	.26	.26	.23½	.24½
1	*.07	.02	Murphy	......	(— bid .06½ asked)			

N, O

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.23	.17	Naybob	17,800	.20	.19	.17	.17½
1	.50	.48	Negus Mines	......	(.... bid .53 asked)			
1	.01½	.01	New Golden Rose	500	.01	.01	.01	.01
5	1.04	.90	Nipissing	100	.90	.95	.95	.95
No	52.00	47.00	Noranda	1,215	48.50	48.50	47.00	47.50
No	.25	.20	Nor. Canada	......	(.20 bid .29 asked)			
1	.03½	.03½	Norgold	......	(.03½ bid .... asked)			
No	.90	.75	Normetals	8,939	.85	.82	.75	.82
1	*5.00	3.75	Northern Empire	......	(2.50 bid .... asked)			
1	.91	.62	O'Brien	14,690	.76	.75	.62	.63
1	.07	.05½	Omega	3,463	.06	.07	.06½	.07
1	.10	.06½	Ontario Nickel	28,500	.07½	.08	.06½	.06½
1	.06	.04	Osisko	2,900	.04	.05½	.04½	.04½

P, Q, R

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
No	.90	.75	Pamour	4,113	.81	.80	.75	.75
1	.04	.03	Pandora	......	(.03½ bid .... asked)			
1	.02	.01	Partanen Mal.	......	(.01½ bid .... asked)			
1	3.00	2.52	Pato Cons. G.	300	2.60	2.52	2.52	2.52
1	.00½	.00½	Pawnee Kirk.	......	(.00¾ bid .01 asked)			
1	.17	.13	Paymaster	19,800	.15	.15	.13	.13
1	1.75	1.40	Pend Oreille	1,600	1.50	1.50	1.40	1.40
1	1.35	1.20	Perron Gold	2,900	1.28	1.28	1.20	1.20
1	2.35	2.00	Pickle Crow	5,675	2.27	2.30	2.00	2.00
1	2.20	1.70	Pioneer Gold B.C.	1,300	1.85	1.78	1.70	1.75
1	*9.50	8.37	Placer Devel.	......	(.... bid 6.00 asked)			
1	.78	.58½	Powell Rouyn	4,400	.63	.63	.58½	.58½
1	.60	.50	Premier Gold	3,700	.57	.56	.50	.50
1	3.20	2.45	Preston E. Dome	39,015	2.91	2.90	2.45	2.47
No	.20	.20	Prospectors Air's.	500		.20	.20	.20
1	*.30	.20	Quebec Gold	......	(.... bid .... asked)			
1	.39	.27	Queenston Gold	3,900	.27	.32	.28	.28
No	.04½	.02	Quemont	......	(.05 bid .... asked)			
No	*.04	.01	Red Crest	......	(.01 bid .03 asked)			
1	.45	.40	Reeves McDonald	......	(.... bid .50 asked)			
1	.17½	.12	Reno Gold	13,700	.17	.17½	.17	.17
1	.02½	.02½	Roche Long Lac	500	.02½	.02½	.02½	.02½

S, T, U, V, W, Y

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	2.05	1.50	San Antonio	5,785	1.75	1.72	1.50	1.50
1	.02½	.02½	Sand River	......	(.01½ bid .03 asked)			
1	.18	.10	Senator Rouyn	7,000	.12	.13	.11	.11
1	.01	.01	Shawkey	......	(.01½ bid .02 asked)			
50c.	.83	.75	Sheep Creek	200	.83	.75	.75	.75
1	.98	.75	Sherritt Gordon	18,029	.80	.85	.75	.80
1	6.00	5.60	Sigma Mines	150	5.75	5.60	5.60	5.60
1	.50	.43	Siscoe	7,150	.46	.48	.43	.43½
1	.33	.22	Sladen Malartic	3,200	.25½	.25	.22	.22
1	.06	.03	Slave Lake	52,000	.03½	.03½	.03	.03
1	.04	.02½	St. Anthony	1,000	.03	.03½	.03½	.03½
No	1.96	1.35	Steep Rock	36,940	1.60	1.60	1.35	1.55
No	.01½	.01	Straw Lake	3,500	.01½	.01½	.01	.01
1	.11	.10½	Sturgeon River	1,000	.10½	.11	.11	.11
No	1.56	1.35	Sudbury Basin	2,700	1.45	1.55	1.50	1.50
1	.02¾	.02¾	Sudbury Contact	500		.02¾	.02¾	.02¾
1	.61	.15	Sullivan Cons.	4,200	.56	.57	.55	.55½
1	1.98	1.55	Sylvanite	4,590	1.75	1.75	1.55	1.55
1	2.34	2.10	Teck Hughes	3,120	2.20	2.25	2.10	2.15
1	.03½	.03½	Temiskaming	......	(.03½ bid .... asked)			
1	1.10	1.00	Toburn Gold	1,850	1.10	1.10	1.00	1.00
1	.13	.11	Towagmac	500	.12	.12	.12	.12
No	.50	.35	Trans. Resources	500	.40	.35	.35	.35
1	.05	.04	Uchi Gold	5,600	.05	.04½	.04	.04½
	40.00	35.00	Do., Bonds	$200	35.00	35.00	35.00	35.00
1	1.24	.81	Upper Canada	39,075	1.00	1.01	.81	.81
No	3.70	3.25	Ventures	1,100	3.30	3.50	3.30	3.40
No	4.80	4.40	Waite Amulet	870	4.45	4.50	4.40	4.50
1	.14	.12	Wendigo	500	.14	.12	.12	.12
1	.01½	.01½	Wiltsey Coughlan	......	(.01½ bid .02½ asked)			
1	.04	.03½	Wood Cadillac	1,300	.03½	.04	.03½	.04
No	2.90	2.50	Wright Hargreaves	4,930	2.60	2.60	2.50	2.50
No	.03¾	.03½	Ymir Girl	1,500	.03¾	.03¾	.03½	.03½

Oil Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
No	.10	.06	Acme Gas & Oil	1,600	.07	.07½	.06	.06
1	.07½	.07	Alta. Pac. Cons.	2,500	.07	.07	.07	.07
1	.12	.10½	Ajax	500	.12	.12	.12	.12
No	.56	.40	Anglo Canadian	2,400	.49	.46	.45	.46
No	.26	.18½	Br. Dominion	44,970	.24	.24	.22	.23
No	.07	.05	Brown Oil	7,372	.07	.06½	.05½	.05½
No	1.20	1.00	Calgary & Ed.	2,100	1.08	1.06	1.00	1.00
1	.18	.15	Calmont	......	(.15½ bid .19 asked)			
No	.22	.19	Commoil	500	.20	.19	.19	.19
No	.30	.25	Common Pete	7,500	.30	.27	.25	.25
No	.30	.17	Dalhousie	7,400	.20	.22	.17	.17
No	.17½	.15	Davies Pete	2,500	.17	.16	.15	.15
No	.04	.02½	East Crest	......	(.02½ bid .... asked)			
No	*.30	.20	Federated Pete	......	(.... bid .25 asked)			
No	.85	.70	Foothills	500	.80	.75	.70	.70
No	†.08	.04	Hargal	......	(.... bid .10 asked)			
No	.20	.15½	High Sarcee	3,000	.16½	.17	.15½	.16
No	2.70	2.35	Home	10,220	2.65	2.62	2.35	2.45
1	.05	.02	Homestead O. & G.	11,000	.04½	.04½	.04	.04½
No	.04	.03½	McD. Segur	......	(.... bid .05½ asked)			
1	.19	.18	Model	......	(.15 bid .... asked)			
25c.	.04	.04	National Petroleum	......	(.04 bid .05 asked)			
1	.04½	.03½	Nordon	1,000	.04½	.04	.04	.04
No	.03	.01¾	Oil Selections	......	(.02½ bid .03 asked)			
No	.40	.32	Okalta	200	.37	.32	.32	.32
No	.03½	.02½	Pacalta	2,000	.03½	.03½	.02½	.02½
1	*.27	.15	Pacific Petroleum	......	(.15 bid .35 asked)			
No	*.30	.25	Petrol Oil & Gas	......	(.... bid .... asked)			
No	19.75	17.75	Royalite	155	18.50	18.00	17.75	17.75
No	.17	.15½	South West Pete.	......	(.15 bid .25 asked)			
No	.04½	.02½	South End	500	.04	.03	.03	.03
5	1.60	1.15	Texas Can.	......	(1.25 bid 1.50 asked)			
No	.04	.03½	United Oils	......	(.04 bid .04½ asked)			
1	.11	.05½	Vermilata	1,500	.10½	.09½	.09	.09
1	.22	.17	Vulcan	500	.22	.17	.17	.17

Vancouver Stocks

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.05½	.04	Bayonne	......	(.03 bid .04½ asked)			
No	9.20	7.95	Bralorne	300	8.20	8.25	8.05	8.05
1	*.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	1.74	1.45	Cariboo Gold	150	1.50	1.50	1.50	1.50
No	.00½	.00½	Dentonia	......	(.00½ bid .... asked)			
No	.00½	.00½	Fairview Amal.	......	(.... bid .00½ asked)			
1	*.15	.10	George Copper	......	(.12½ bid .... asked)			
1	.06½	.05½	Golconda	500	.06	.06½	.06½	.06½
50c.	.16	.14	Gold Belt	2,050	.15	.15	.14	.14
50c.	.18	.15	Grandview	......	(.15 bid .... asked)			
1	.03½	.02	Grull Wihksne	5,000	.02½	.02	.02	.02
1	.35	.26	Hedley Mascot	6,900	.30	.31	.26	.26
No	.00½	.00½	Home Gold	......	(.00½ bid .... asked)			
1	*.01	.00	Indian Mines	......	(.01 bid .... asked)			
50c.	1.06	1.02	Island Mountain	800	1.05	1.05	1.02	1.05
1	.29	.29	Inter'l Coal	333		.29	.29	.29
50c.	.22	.15	Kootenay Belle	......	(.15 bid .17 asked)			
1	.20	.20	McGillivray Creek	1,000		.20	.20	.20
No	.01	.01	Minto Mines	......	(.... bid .01 asked)			
50c.	.02	.01½	Nicola	......	(.... bid .02 asked)			
1	.09½	.08½	Pacific Nickel	500	.09½	.08½	.08½	.08½
1	1.75	1.53	Pend Oreille	200	1.60	1.55	1.53	1.53
1	2.15	1.70	Pioneer Gold	300	1.85	1.70	1.70	1.70
No	.01½	.01½	Premier Border	......	(.01½ bid .01½ asked)			
1	.60	.50	Premier Gold	1,585	.58	.57	.50	.55
No	.60	.37	Privateer Mines	1,500	.38	.39	.37	.37
1	.02	.01½	Quatsino Copper	......	(.01½ bid .... asked)			
1	.50	.37	Reeves McDonald	700	.43	.40	.37	.37
1	.18	.13	Reno Gold	2,100	.17	.17½	.17	.17
50c.	.00½	.00½	Salmon Gold	......	(.00½ bid .01 asked)			
50c.	.84	.77	Sheep Creek	500	.80	.77½	.77½	.77½
1	.71	.60	Silbak Premier	562	.66	.64	.60	.64
No	*.00½	.00½	Silvercrest	......	(.... bid .... asked)			
50c.	.06	.06	Surf Inlet	......	(.06 bid .... asked)			
No	*.03	.02	Taylor Bridge	......	(.... bid .04 asked)			
20c.	.02½	.01½	Wellington	......	(.01 bid .01½ asked)			
1	.04½	.02½	Whitewater	......	(.02 bid .02½ asked)			
No	*.08	.03½	Ymir Yankee Girl	......	(.... bid .... asked)			

Oil Quotations

Par Val.	Range 1942 High	Low	Company	Sales	Close Feb. 9 (or last)	High for week	Low for week	Close Feb. 16
1	.07	.06	Alta. Pac. Cons.	1,000	.06	.06	.06	.06
No	.55	.44	Anglo Canadian	500	.49	.44	.44	.44
No	.03	.03	Anaconda	......	(.02½ bid .03 asked)			
No	.24	.19	Brit. Dominion	......	(.... bid .23 asked)			
No	*.07½	.05	Brown Oil	......	(.... bid .... asked)			
No	1.17	1.00	Calgary & Ed.	3,600	1.10	1.10	1.00	1.00
1	.17	.14	Calmont	......	(.14 bid .... asked)			
No	.23	.23	Commoil	......	(.18 bid .23 asked)			
No	.28	.27	Commonwealth	300	.27	.28	.28	.28
No	.22	.20	Dalhousie	500	.21	.20	.20	.20
No	.16½	.16½	Davies Pete	......	(.... bid .... asked)			
No	.02½	.02½	East Crest	......	(.... bid .... asked)			
No	.26½	.21	Federated Petroleum	......	(.... bid .... asked)			
No	.85	.75	Foothills	500	.85	.75	.75	.75
No	.20	.15½	High Sarcee	1,000	.18	.15½	.15½	.15½
No	2.67	2.40	Home Oil	2,560	2.66	2.66	2.40	2.45
No	.01½	.01½	Madison	2,000	.01½	.01½	.01½	.01½
No	.01½	.01½	Marjon Oil	2,000	.01½	.01½	.01½	.01½
No	.04½	.04	McD. Segur Ex.	......	(.03½ bid .04 asked)			
No	.04½	.03½	Mercury	5,000	.04½	.04½	.04	.04
No	.07	.06	Mill City Pete	......	(.05½ bid .... asked)			
1	.20	.15	Model	4,100	.17	.15½	.15	.15½
25c.	.04	.04	National Pete	......	(.04 bid .... asked)			
1	.03	.03	Nordon	1,000		.03	.03	.03
No	.40	.34	Okalta	300	.35	.34	.34	.34
No	.03	.03	Pacalta Oil	3,000	.03	.03	.03	.03
1	*.26	.18	Pacific Petroleums	......	(.15 bid .... asked)			
No	.05½	.04½	Royal Canadian	2,750	.04½	.05½	.05	.05
No	†.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	18.63	18.25	Royalite	......	(.... bid 19.00 asked)			
No	.05	.03½	South End	......	(.... bid .04½ asked)			
No	.20	.17	Southwest Pete	100	.20	.17	.17	.17
1	*.05½	.02½	Spooner	......	(.... bid .... asked)			
25c.	.09½	.08½	Sunset Oil	2,000	.09½	.09	.08½	.08½
No	.04½	.04	United	1,200	.04	.04½	.04	.04½
No	.04	.04	Vanalta	1,000	.04	.04	.04	.04
1	.20	.16	Vulcan	2,000	.20	.16	.16	.16

* Quotations for 1941. † 1940.

Winnipeg Stocks

(Transactions from Feb. 9 to Feb. 14)

	Sales	High for period	Low for period	Close Feb. 14
Federal Grain, pref.	25	34.50	34.00	34.00
Home Investment	10	20.00	20.00	20.00
United Grain Growers	33	11.50	11.50	11.50

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, c.	35	1½
Beav. Lumber p	103	..	Grouped Inc.	..	4½
Do., com.	2½	5	Nor. C. Mtge. un	5½	..
Can. Indemnity	150	..	Nor. Trusts	..	7½
Can. Airways	1	..	Traders Bldg.	44	..
Corr. P. Box	.60	..	West. Brew.	1⅞	2⅛
Cres. Cream., p.	..	12	West. Grain, p.	..	7
Dom. Envelope c	..	9½	West. Steel	9¼	10

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Feb. 17	8,200	11,200	205,000	......
Feb. 16	5,200	4,600	145,000	11,120
Feb. 14	3,000	4,200	100,000	9,200
Feb. 13	7,300	18,900	159,000	6,333
Feb. 12	6,500	4,800	181,000	31,400
Feb. 11	5,800	4,500	149,000	3,235

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Feb. 18, 1942

Dominion of Canada Bonds

%	Due	Bid	Ask.	Approx. Yld.
1½	May '42	100	100½	...
2	June '42	100½	100¾	...
3	Oct. '42	101½	101¾	.53
2½	June '43	101½	101¾	1.17
5	Oct. '43	105½	106	1.44
2	June '44	100¾	101½	1.45
a2½	Jan. '44	99½	100‡	2.25
4½	Oct. '44	106½	107½	1.66
2½	Nov. '44	101¾	102½	1.57
a2½	Aug. '45	98¾	99½‡	2.65
a4	Oct. '45	103½	104	b1.62
2	Mar. '45	100½	101	1.66
2	Dec. '46	99	99¾	2.14
4½	Feb. '46	108¾	109½	2.01
3½	June '49	102½	103½	b2.47
3½	Oct. '49	102½	103	b2.40
3½	Nov. '51	101½	102	b2.93
3½	Feb. '52	101½	102¾	3.00
5	May '52	100½	101‡	b...
4	Oct. '52	105½	106½	b2.80
3	June '51	99½	100	3.09
3	Oct. '52	98½	99½	3.09
3	June '55	99½	99¾	3.02
4½	Nov. '56	106¾	107½	b2.80
4½	Nov. '57	107½	108½	b2.90
3	June '58	99	99¾	3.02
4½	Nov. '58	108¾	109½	b2.95
4½	Nov. '59	109¾	110½	b2.99
a4	Oct. '60	104¾	‡105½	b3.27
a3½	Jan. '61	97	98¾	3.39
3½	June '56	101	101¾	b3.10
a3e	Jan. '67	94½	95½‡	3.27
a3e	Nov. '68	93¾	94½‡	3.31
†3	Perpet'l.	93½	94½	3.17

Dominion Guarant'd Bonds

Can. Nat'l. Railways:

%	Due	Bid	Ask.	Approx. Yld.
2	Feb. '43	100½	101½	.74
*2½	Jan. '46	100½	101½	1.93
3	May '44	102½	103½	1.53
3	Dec. '50	99	100	3.00
3	Feb. '53	98½	99½	3.05
3	Jan. '59	98	99	3.08
*4½	Sept. '51	115	116½	2.59
*4½	Feb. '56	116	117½	2.98
4½	July '57	116	117½	3.06
4½	June '55	117½	119	3.03
5	Feb. '54	117½	118½	3.14
*5e	July '69	116½	117½	...
*5e	Oct. '69	119	121	b2.56
*5e	Feb. '70	119	121	b2.63

Grand Trunk Pacific Rly.:

%	Due	Bid	Ask.	Approx. Yld.
3	Jan. '62	99	100½	2.97

Provincial Gov't. Bonds

%	Due	Bid	Ask.	Approx. Yld.
New Brunswick:				
3	Oct. '51	91½	93	3.80
3½	Aug. '49	93½	95½	3.93
3½	June '56	92½	94½	4.00
c4	Nov. '47	101	103	b3.15
c4½	Apr. '61	103½	105½	4.09
c5	Jan. '60	109	111	4.13
Nova Scotia:				
3	Jan. '52	95½	97½	3.29
3½	June '56	98	100	3.25
3½	Nov. '50	100	102	3.23
c4½	Sept. '52	106	108	b2.97
c4½	Nov. '60	110	113	3.55
c5	Mar. '60	117½	119½	3.54
Ontario:				
2½	May '45	100	101	2.20
3	Apr. '48	99½	100½	b2.93
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	101	b3.10
3½	May '55	100	101	b3.13
*4	June '62	107	110	3.32
4½	June '50	108½	110	3.13
*4½	Jan. '62	114	116	3.39
5	Oct. '48	110½	111¾	3.06
*5	Dec. '60	120½	122½	3.38
5½	July '46	109	110½	3.01
Ont. Hydro Commission:				
3	Aug. '48	99½	100½	b2.95
3½	Feb. '53	99½	100½	b3.18
3½	Apr. '47	101½	103	2.88
Prince Edward Island:				
4	Mar. '51	100	102	3.80
Quebec:				
3	Nov. '47	97½	99	3.20
3½	Mar. '48	98½	100	3.25
3¾	Mar. '59	98	99½	3.54
4	Nov. '52	102	103½	b3.53
3¾	Feb. '55	100½	102	b3.51
4½	Aug. '58	104½	106½	3.72
4½	Jan. '63	109	111	3.74
Alberta:				
4	Dec. '54	57	60	d
4½	Oct. '51	67	..	d
4½	Oct. '56	61	64	d
*5	Oct. '59	64	67	d
c5½	Apr. '52	65	68	d
6	Mar. '47	70½	72½	d
British Columbia:				
c4	Dec. '57	101	103	3.78
*4½	Jan. '51	106	...	...
c4½	Oct. '53	106	...	...
c5	Apr. '54	111	...	...
5½	Feb. '45	103	105	3.70
6	Feb. '47	106	108	4.23
Manitoba:				
c4	Dec. '57	96	99	4.09
c4½	Dec. '56	98	101	4.50
*5	Dec. '59	102	105	4.59
5½	Oct. '55	99	102	5.29
6	Apr. '47	102	104	5.08
Saskatchewan:				
4	Sept. '54	75	78	6.53
4	Nov. '60	74	77	6.05
c4½	Oct. '51	87	90	5.88
c4½	Mar. '60	83	86	5.73
5	Aug. '58	85	88	6.17
5½	Oct. '52	90½	93½	6.33
6	Mar. '52	92	94½	6.74

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1956 average maturity.

Unlisted Stocks

Feb. 17, 1942 (Furnished by A. J. Pattison, Jr. & Co., Toronto)

Industrials:	Bid	Ask.
Acme Farm., pf.	46	..
Andian National	27½	29
Anglo C. Tel., A	6½	7½
Atlas Steel	17	19
Barrymore, pfd.	36	..
Brant. Roof.	2½	..
B. C. Pulp, c.	9½	12
Do., pfd.	64	69
B. C. Sugar	70	74
B. C. Tel., 1st p.	111	116
Brown, com.	1¾	1⅞
Do., pfd.	28½	30½
Burns & Co., A	4½	5½
Do., B	2½	3
Can. Co-op. Wl.	8	..
Can. Indust., A	152	..
Can. Ing. Rand	70	76
Can. Mot. L.A.B.	3	..
Can. Tube, 1st p	77	82
Chase, A. W., p.	17½	19½
Claude Neon, p.	2½	3½
Colonial Realty.	2½	..
Colonial Steam.	32	36
Copeland Fl. un.	13	15
Dunlop T. p. $25	19	21
Easy Wash. $10	10	11½
Galt Brass, c.	9½	..
Goderich Elev.	6½	7
Guard. Realty p	10	12½
Guelph Carp., c	16½	18
Gurney Fdry. p.	1½	1¾
Hayes Steel, c.	14½	15½
Hi'land Dairy, p	49	..
Inglis, John	4¾	6
Ingram & Bell p	93	..
Kingst. Ship. un	36	37
Do., com.	5	5¾
Loblaw, Inc., c.	12	13
Minn.&Ont. P. c	4½	5
M'row Screw, p.	103	105
Do., com.	13	16
Morrison Br. un	4½	6
Moirs, Ltd.	18	21

	Bid	Ask.
Neilson, Wm., p.	100	..
N. Meth. Ldy., p	55	59
Ont. Tobacco, p.	18	19½
Pac. C. Term., c	..	7
Prov. Paper, pf.	100	103
Quinte Milk	2½	3½
Ruddy, E. L., p.	16	..
Stand. Fuel, p.	50	54
Stedman, pf. $50	55	58
Sutton Horsley	¾	1
Tor. Carpet, c.	50	..
Do., pfd.	66	71
Un. F. Co-op.	2½	3½
Un. Steel, A pf.	21	23½
Viceroy Mfg., c.	12½	..
Trusts & Loan Stocks:		
Brit. Mtge.	125	135
Brockville Tr.	42	..
Capital Tr.	28	32
Comm. Fin., c.	3¾	..
Grey&Br. Tr. $50	43	..
Guaranty Trust	99	104
Guelph & O. $50	51	54
Indust. Mtge.	26	..
Lambton Loan	30	33
Midland Loan	14	16
Premier Trust	38	42
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. Can. Inv. Tr.	1½	..
Traders Fin. A c	3	5
Do., A pfd.	67	71
Trusts&Gr., new	34	38
Victoria Trust	70	75
Waterloo Trust	99	..
Insurance Stocks:		
Canada Life	360	380
Brit. Amer.	51	53
Canadian Fire	79	82
Confed. 30% pd.	125	135

	Bid	Ask.
Cons. Fire Cas.	3¾	..
Continental L.	34	38
Crown, fully pd.	265	285
Dominion Fire	136	..
D. of Can. Gen.	112	120
Empire, 25% pd.	5	6
Excelsior 38% pd	70	74
Great-West Life	200	210
Federal, 25% pd.	52½	56
Halifax Fire	15½	17
Imperial Life	260	280
Manufac. Life	214	223
Monarch Life	32½	34¾
National Life	10	16
Sov. L. 25% pd.	12¾	..
Sun Life	280	300
Tor. General	4¾	5½
Wellington Fire.	58	..
Western Assce.	40	43
Theatre Stocks:		
Allen's, St. Cath., units	52	..
Loew's London p	2½	3¾
Mansf. Theat. p	29½	33
Para., Kitch., p.	50	..
Do., Oshawa, c	7½	9½
Investment Trust Shares:		
Can. Investors	4	5
Inv. Found. un.	42	44½
Sec's. Hold., pf.	18½	20
United Corp., A	19	21½
Do., B	4½	5½
Power Issues:		
Can. W. N. Gas	25	27
Do., pfd.	101	..
Gt. Lakes Pr., p.	101	103
Int. Util. $1.75 p	8½	14
Do., $3.50 pf.	29	..
Mtl. Isl. Pwr. p.	41	..
Nor. Ont. Pr. p.	71	75

Unlisted Mines

Toronto, Feb. 17, 1942

	Bid	Ask
Albany R (Old)	.03	.05
(New)	.08	.10
Amal Kirk	.04	.05
Anoki	.02½	.03½
Aquarius	.20	.22
Arjon	.02½	.03½
Armistice	.06	.08
Argosy	.05	.07
Area	.02	.02½
Athona (Old)	.00½	.01
(New)	.01	.01½
Barb Lard	.02	.02½
Brock	.04	.05
Calder Bo	.02	.03
Can Rad	.07	.08
Central M	.02	.02½
Cheminis	.03	.04
Coin Lake	.01½	.02
Cons Chib	.02	.04
Croscourt	.01	.02
Dayton	.00½	.01
Delpine	.04	.05
Demp Cad	.00½	.00¾
Desantis (New)	.05½	.06½

	Bid	Ask
Dona Pat	.01	.02
Eastward	.06	.08
Elmos	.06	.08
Franco	.25	.30
Galore	.00½	.01½
Goodrock	.16	.18
Gilbec	.00½	.01
Hayes Cad	.01¾	.02½
Hoyle new	.09	.11
Hugh PaP	.03	.04
Hutch Lke	.01	.01½
Keora	.00½	.01
Kewagama	.01	.02
Kiena	..	.02
Kirk Gate	.00½	.01½
Kirk Twn	.07	.08
Lacoma	.00½	.01
Laguerre	.05	.10
Lake Duf	.12	.14
Lake Gen	.06	.08
Largold	..	.20
Lw Pete	.14	.18
Lunward	..	.15
Magnet C	.43	.46
Magnet L	.13	.16
Marbenor	.22	.25
Martin Bir	.02	.02½

	Bid	Ask
Mata Can	.02	.03
Mata Con	.12	.15
McMar'ac	.14	.16
Mof Hal n	.01	.02
Mooshla	.00½	.01½
Mosher	.05	.07
McManus	.01	.02
Nat Mal	.20	.22
Nickel O	1.20	1.50
Norbeau	.15	.20
Northland (1940)	.01	.04
Norwin	.02	.03
New Mal	..	.15
Newbec	.01	.02
N Ribago	.00½	.01½
Numalake	.09	.13
Oklend	.03	.04
O'Leary M	.03	.04
Opemiska	.05	.07
Orpit	.03	.04
Ossian	.00½	.01
Pascalis	.16	.18
Pontiac R (Old)	.02	.04
Pelangio	.01½	.02½
Polaris	.02	.04

	Bid	Ask
Proprie'y	3.50	3.70
Presdor	.04	.04½
Queb Mn	.11	.13
Rahn Lake	.00½	.01½
Rand Ml	.13	.15
Red Lake	..	.01½
Ritoria	.01	.01½
Rouge	.01	.02
S.A.G.A.	.25	1.00
Sachigo	4.25	4.50
Senore	.01	.02½
Sepha	..	.15
Shenango (New)	..	.15
Sheldon	.03	.04
Skynner	.11½	.12
Smelters	..	.01
Springer	.10	.12
Stadacona	.05	.07
Thomson	.10	.12
Tobico	..	.06
Union Mn	.02½	.03½
Wesley	.01½	.02½
Y David'n	.16	.18

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 17, 1942

Public Utility Issues:	Int. Rate %	Due	Bid Feb. 17	Asked	Bid Feb. 10
▲Alg. Cen. H.B.R.	5	'59	10	12	10
†Assoc. Tel. & T.	5½	'55	65½	68½	67
B. C. Power	4½	'60	99	101	99
B. C. Tel.	4½	'61	105½	107½	105½
†Calgary Pwr.	5	'60	106½	108½	106
Do.	5	'64	103	...	103
†Can. Nor. Pwr.	5	'53	101½	103½	102
*Dom. Gas & El.	6½	'45	102	105	102
Gatineau Pwr.	5	'49	99½	101½	100
*Do., A	3¾	'69	99½	101½	100
♦Do., B	3¾	'69	99	101	100
Gt. Lakes Pwr.	4½	'56	100	102	100
Do.	5	'57	96½	99½	96½
*Int. Hydro-El.	6	'44	31	34	31
▲Inter. Power	6	'55	100½	102½	101
L. St. Law. Pwr.	5	'55	100	102	100
Macl'n-Que. Pr.	4	'59	100½	102½	100½
Mtl. L. H. & Pr.	3½	'56	103½	105½	103½
Do.	3½	'73	102	104	102
Do.	3½	'63	102½	104½	102½
†Mtl. Tramways.	5	'41	100	102	100
†Do.	5	'55	72½	75½	72½
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	101	103	101½
Ottawa L.H.&P.	4	'57	102	104	102
Ottawa V. Pwr.	5	'59	100½	102½	101
†Power Corp.	4½	'59	91	94	92½
Quebec Pwr.	4	'62	102	104	102½
°Saguenay P.	4½	'66	106	109	107
♦Do., B	4½	'66	105	108	105½
St. Maurice Pr.	4½	'70	101½	103½	102
Shaw. W. & Pr.	4	'61	101½	103½	102
Do.	4	'69	101½	103½	102
Union Gas	4½	'50	102	104	102
*Twin C. R. Tr.	5½	'52	82	85	83½
†United Secs.	5½	'52	42	45	42
‡Wpg. El. ser. A.	5	'65	82½	85½	83½
Do., B	5	'65	68	71	67½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	70	73	71½
Do., C.O.D.	5	'53	69½	72½	71½
Acadia Sugar	4½	'55	101½	103½	101½
Do.	6	'54	99½	102½	99½
†Alta. Pa. Grain.	6	'46	103	105½	103½
Algom. Steel	5	'48	100	103	100½
Atlantic Sugar	4	'51	101	103	101
†B. C. Pulp & P.	6	'50	92½	95½	93
‡†Do.	7	'50	107	110	108
°Brown Co.	5	'59	78	81	78½
Burns & Co.	5	'58	68½	71½	68½
Canada Cement	4½	'51	102	105	102
Canada Electric	4½	'65	96½	99½	96½
Can. Paper	4½	'52	101	104	101½
Can. Steamships	5	'57	100½	102½	100½
Can. Canners	4	'51	101½	103½	101½
*Can. Int. Paper.	6	'49	105	107	105
‡Can. Locomotive	6	'53	102½	105½	103
‡†Candn. Vickers	6	'47	87½	90½	88
C. P. R.	3½	'51	95½	97½	96
Do.	4	'49	99½	101½	100
Do.	6	'42	99½	101½	99½
Col. Steamships	6	'54	100½	102½	101
†Consol. Paper	5½	'61	76½	79½	77½
Dom. Coal	4½	'52	100	103	100½
Dom. Scott. Inv.	4	'52	98½	...	98½
Dom. Stl. & C.	6½	'55	104	107	104
Dom. Tar	4½	'51	101	104	101½
Dom. Woollens.	6	'53	96	99	96
†Donnacona Pap.	4½	'56	77½	80½	77½
*Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	6	'49	80	83	80
Famous Players	4½	'51	98	101	98
†Federal Grain	6	'49	101½	...	102
†Fraser Cos.	6	'50	101½	...	102
Galt Brass	5	'50	93	...	93
Gen. Stl. Wares	4½	'52	101	104	101½
*Gt. L. Paper	5	'55	92½	95½	93
*Gurney Fdry.	5½	'49	86	89	85
†Gypsum Lime	5½	'48	101	104	101½
Ham. By-Pr. C.	5	'55	101½	104½	102
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	102½	100½
Inter-City Bak.	5½	'48	102	104	102
Indust. Accept.	4	'52	76½	79½	77½
Ins. Ex. Bldg.	3	'51	44	47	44
*Inter. P. Nfld.	5	'68	97½	100½	97½
*Inv. Bond & Sh.	5	'47	42	45	42
†Kingston Elev.	6	'50	104½	107½	104½
Lake St. J. P.	5½	'61	88½	91½	88½
Do.	5	'61	72	75	71½
Legare	6	'61	89	92	89½
Maple L. M.	3	'58	76	79	75
Man. Sugar	5	'60	99½	102½	99½
Massey-Harris	4½	'54	92	95	93
McColl-Fron.	4½	'49	102	104	102
McCormicks	4	'52	96½	99½	96½
Do.	4½	'52	104	106	104
Mercury Mills	5	'59	94½	97½	94
Mersey Paper	5	'57	97	100	96½
†Do.	6	'49	99½	102½	99½

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and asked as at Feb. 17, 1942, and change in bids from previous week.

Miscellaneous Stocks:	Bid	Ask.	Chge.
†Allens Tor. Th., p.	31½	35	—½
Atlas Steels, 7% pfd.	105½	106½	+½
Brinton Peterboro Cpt.	39½	..	—½
*Can. Gen. Rubber, pfd.	20½	24	—½
Can. Mach., new c.	8	..	+½
C.P.R. 4% pfd. (£ par)	1.80	2.50	+.05
Cap. Wirecloth, p.	19½	22	+1½
Cawthra Apts., pfd.	2	2.50	+.35
Century Finance c.	..	29	Unch.
Comm. Life, 10% pd.	6½	7½	+½
Corrug. Paperbox, c.	1	1½	—.05
Dom. Alloy & Steel, c.	.10	.35	+.05
Do., com.	.10	.35	+.05
Dom. Life, 70% pd.	176	195	+1
Dover Industries	6	6½	unch.
Eastern Steel, pfd.	19½	21	+½
†Fort W., Hotel, units	44	49½	—1
Hart Battery, com.	4	4.60	—½
Imperial Varnish, c.	8½	9½	—.10
Indust. Accept., 5% p.	60½	66	+½
London & West. Trusts	33	36	+½
Mount Royal, new com.	3.10	4	+.10
Murphy Paint, com.	8½	9½	—½
Do., pfd.	88	90	—½
Nat. Hosiery, com.	.70	.90	+.05
Do., pfd.	.80	1.10	+.05
†N. Amer. Elevator, p.	79½	..	+½
Do., 2nd pfd.	25	..	Unch.
St. John Dry D., p.	99½	102	+½
Seal-o-Sac	.75	1.00	+.05
Third Can. Gen. Inv.	1.35	1.60	+.10
Tip Top Tailors Inc., un.	11¾	14	+½
Traders Finance rts.	10½	12	+½
Viceroy Mfg., 6% pfd.	22½	23¾	—½
Waterloo Mfg., new c.	.60	.85	+.05
Wentworth Radio, p.	2½	3	+½
West. Can. Hydro, pfd.	10¾	11½	+½
West. Life, 10% pd.	9¾	10¾	—½

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Feb. 17	Asked	Bid Feb. 10
*M. & O. Paper	5	'60	100½	102½	101½
Moirs Ltd.	6	'53	89	92	89
‡Mtrl. Drydocks	6	'48	83	86	83
Montreal Apts.	4	'54	51½	54½	52
Nat. Grocers	4	'47	101½	104½	101½
N. S. Stl. Coal	3½	'63	81	84	80
Price Bros.	5	'57	100	102	99
Do.	4	'57	84½	87½	84½
*Prov. Paper	5½	'47	105	...	105
Reliance Grain	4½	'52	96	99	96
†Restigouche Co.	6	'48	101½	103½	101½
Rolland Paper	4½	'51	101	103	101½
Ruddy, E. L.	6½	'48	92	95	92
Silv. Dairies	6	'66	93½	96½	93½
Simpsons, Ltd.	4½	'51	100½	103½	101
Smith, Howard	4½	'51	102	105	102
Stand. Lime	6	'44	97½	100½	97½
Sterling Coal	6	'45	97½	100½	97½
Stop Shop	3	'47	58	61	57½
United Corp.	5	'53	94	...	94
*United Gas	5½	'48	105	...	105
United Gr. Grs.	5	'48	100½	103½	100½
†Western Grain	6	'49	66	69	66

*Payable in Can. or U. S.
†Payable in Can. U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

Feb. 17, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	113.00	115.00	3.90
Hamilton	5	1950	109.25	112.25	3.30
Montreal	5	1945	93.00	95.00	6.80
Ottawa	4½	1945	104.00	106.50	2.50
†Quebec	5	1959	109.00	112.00	4.17
Saint John	5	1950	104.00	106.00	4.17
†Toronto	4½	1955	111.00	114.00	3.18
†Vancouver	5	1950	100.00	104.00	4.40
Winnipeg	5	1944	101.00	104.00	3.00

†Payable Can. & N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	1.99	2.18
Can. Amer. Trust	2.75	3.10
Can. Inter. Trust	3.25	4.50
Can. Invest. Fund	2.90	3.25
Corporate Investors	5.40	5.80
Trans-Canada	8.85	9.70

Annual Meetings

1942: Company	Place
Feb. 21—Lacoma Gold Mines*	Toronto
Feb. 23—Brompton Pulp & P.	Montreal
Feb. 23—H. Simon & Sons	Montreal
Feb. 23—St. Lawr. Corp.	Montreal
Feb. 23—St. Lawr. Paper Mills	Montreal
Feb. 23—Montreal Life	Montreal
Feb. 24—Quebec Power	Quebec
Feb. 26—Bell Telephone	Montreal
Feb. 27—Bruck Silk Mills	Montreal
Feb. 27—Candn. Bronze	Montreal
Feb. 27—Provincial Transport	Montreal
Feb. 28—Siscoe Gold Mines	Montreal
Mar. 5—Building Products	Montreal
Mar. 11—Prudential Trust	Montreal
Mar. 11—Woods Manufacturing	Montreal
Mar. 12—Western Assurance	Toronto
Mar. 23—Twin City Rapid	Minneapolis
Mar. 25—Can. North West Land	Toronto

*Special.

Mining Dividends

	Rate	Feb. 16	Yield %
Anglo-Huronian	▲10c	2.30	..
Argus Interests	†4c	.35	..
Aunor Gold	16c	1.13	14.2
Bayonne	†1c	.04¼	..
Beattie Gold	16c	.80	20
Berens River	†3c	1.00	..
Bralorne	80c+40c	8.00	*15
Broulan Porc.	12c	.43	..
Buffalo Ankerite	▲30c	2.25	..
Bulolo Gold	$3	7.00	..
Can. Malartic	8c	.40	20
Cariboo Gold	16c+8c	1.50	*16
Central Patricia	16c+6c	1.00	*22
Chesterville	15c	1.02	..
Cochenour Willans	6c	.46	13
Coniagas	▲17½c	1.25	..
Coniaurum	16c	.85	18.8
Cons. Smelters	$1+$1.50	38.00	*6.6
Delnite	▲6c	.50	..
Dome Mines	$1.20	15.00	..
East Malartic	▲20c	1.81	..
Falconbridge	20c	3.25	..
Francoeur Gold	▲4c	.30	..
Gold Belt	▲2c	.14	..
Grandview	▲1½c	.16	..
Grull Wihksne	†1½c	.02	..
Hallnor	60c	2.25	26.6
Hard Rock	▲8c	.45	..
Hedley Mascot	8c	.26	..
Hollinger	65c+45c	7.55	*14.5
Howey Gold	▲4c	.19	..
Hudson Bay	$2	26.25	7.6
Inspiration	†2c	.25¼	..
Inter. Nickel, com.	$2	33.50	5.9
Island Mountain	▲18c	1.05	..
Jason	4c	.29	..
Kerr-Addison	▲35c	3.60	..
Kerr Lake	5c	.22	..
Kirkland Lake	10c+1c	.56	*19.6
Kootenay Belle	▲8c	.16	..
Lamaque Gold	40c+15c	3.70	*14.9
Lake Shore	80c	9.60	8.3
Leitch	8c	.39	20.5
Little Long Lac	▲20c	1.18	..
Macassa	32c+3c	2.25	*15.5
Madsen R. Lake	▲3c	.38	..
Malartic Gold	10c	1.47	..
McGillivray Coal	2c	.22½	..
McKenzie Red L.	12c	.80	15
Moneta	8c	.24½	..
McIntyre-Porc.	$2.22+$1.11	40.00	*8.3
MacLeod-Cockshutt	10c	1.42	..
Naybob Gold	4c	.17¼	..
Negus	7½c	.48	..
Nipissing	15c	.95	15.7
Noranda	$4	47.50	8.4
North Empire	▲40c	3.75	..
O'Brien Gold	3c	.63	..
Pamour Porc.	18c	.75	..
Pato Cons.	20c+2c	2.52	*8.8
Pend Oreille	†6c	1.40	..
Perron Gold	16c+9c	1.20	*20.8
Pioneer, B.C.	40c	1.75	22.8
Pickle Crow	40c	2.00	20
Placer Develop.	$1.20	8.37	14.4
Premier	11c	.50	22
Preston E. Dome	20c+10c	2.47	*12.1
Privateer Mines	12c+4c	.37	..
Quebec Gold	2c	.30	..
San Antonio	14c+6c	1.50	*13.3
Sheep Creek	16c+1c	.75	*24
Sherritt Gordon	10c	.80	..
Sigma Mines	▲30c	5.60	..
[illegible] Premier	16c	.64	25
[illegible]	▲8½c	.43½	..
[illegible] River	4c	.11	..
Sudbury Basin	▲5c	1.50	..
Sullivan Cons.	3c	.55½	..
Surf Inlet	▲2c	.06	..
Sylvanite Gold	28c	1.35	18
Teck-Hughes	40c	2.15	18.6
Toburn	12c+6c	1.00	*18
Upper Canada	▲14c	.81	..
Ventures	▲20	3.40	..
Waite Amulet	40c	4.50	..
Wendigo	3c	.12	..
Wright-Harg.	40c+20c	2.50	*24
Ymir Yankee	2c	.03⅞	..

▲Paid in 1941. *Yield including bonus.
†Initial.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass	40c	Mar. 2	Feb. 16
Do., pref.	$1.75	Apr. 1	Mar. 16
Aluminium	$2	Mar. 5	Feb. 13
Do., pref.	†$1.50	Mar. 1	Feb. 6
Asbestos Corp.	15c	Mar. 31	Mar. 1
Do., extra	15c	Mar. 31	Mar. 1
Aunor Gold	4c	Mar. 3	Feb. 14
Amal. Oils	▪4c	Mar. 15	Mar. 1
Bk. of Nova Scotia	$3	Apr. 1	Mar. 16
Belding Cort.	$1	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Broulan Porc.	3c	Mar. 31	Mar. 10
Berens River	3c	Mar. 16	Feb. 27
Beattie Gold	4c	Mar. 20	Mar. 4
Banque Candn. Nat.	$2	Mar. 2	Feb. 14
Borden Co.	†30c	Mar. 2	Feb. 16
Bruck Silk	▪10c	Feb. 25	Feb. 5
Bank of Montreal	$2	Mar. 2	Jan. 31
Belding-Cort., ext.	▪$2	Mar. 2	Feb. 14
B. C. Packers	*$1.50	Mar. 16	Feb. 28
Bank of Toronto	$2.50	Mar. 2	Feb. 14
Bathurst P & P., A	25c	Mar. 2	Feb. 13
T. G. Bright, c.	7½c	Mar. 14	Feb. 28
Do., pf.	$1.50	Mar. 14	Feb. 28
Canada Vinegars	10c	Mar. 2	Feb. 14
Can. Wire & C., A	$1	Mar. 15	Feb. 28
Do., B	.50c	Mar. 15	Feb. 28
Do., pref.	$1.62½	Mar. 15	Feb. 28
Can. Cr. Stone	10c	Mar. 16	Mar. 2
Canada Dry	†15c	Mar. 9	Feb. 24
Can. Foundries, A	37½c	Mar. 16	Mar. 2
Can. Cel., inc. fd. rts.	$1	Mar. 17	Dec. 31
Can. Cottons	$1	Apr. 1	Mar. 2
Do., bonus	$2	Apr. 1	Mar. 2
Do., pref.	$1.50	Apr. 1	Mar 2
Cockshutt Plow	25c	June 18	June 4
Capital Trust	$1	Mar. 1	Dec. 13
Can. Breweries, pfd.	75c	Apr. 1	Mar. 16
Corr. Pap. Box., pf.	$1.75	Mar. 2	Feb. 16
Can. Bakeries, p.	$1.25	Mar. 2	Feb. 19
Coniagas Mines	10c	Feb. 26	Feb. 10
Commoil	1c	Feb. 27	Feb. 11
Confederation Life	$1.50	Mar. 31	Mar. 25
Do.	$1.50	June 30	June 25
Do.	$1.50	Sept. 30	Sept. 25
Do.	$1.50	Dec. 31	Dec. 25
Cons. Sand., pref.	$3.50	Mar. 2	Feb. 20
Can. & Dom. Sugar	37½c	Mar. 2	Feb. 14
Can. Indust's., A, B	$1.50	Apr. 30	Mar. 31
Do., pref.	$1.75	Apr. 15	Mar. 31
Can. Int. Inv. Tr., pf.	50c	Mar. 2	Feb. 16
Dome Mines	▪40c	Apr. 20	Mar. 31
Dom. & Anglo Invest., pf.	$1.25	Mar. 2	Feb. 14
Dom. Bridge	30c	Feb. 25	Jan. 31
Dom. Envelope, pf.	$1.75	Mar. 1	Feb. 20
Dom. Foundries, p.	$1.50	Mar. 2	Feb. 20
Dom. Scot. Inv., p.	▪50c	Mar. 2	Feb. 20
East Steel, c.	25c	Mar. 2	Feb. 16
Equitable Life	15c	Feb. 20	Feb. 15
Easy Washing, pf.	17½c	Apr. 1	Mar. 16
Econ. Inv. Trust	$1.37½	Apr. 1	Mar. 20
Eng. Electric, A	62c	Mar. 16	Feb. 28
Falconbridge N.	5c	Mar. 26	Feb. 26
Famous Players	25c	Feb. 27	Feb. 14
Federal Grain, pf.	▲$2	Mar. 2	Feb. 20
Granby Cons. M.	†15c	Mar. 2	Feb. 13
Do., extra	†5c	Mar. 2	Feb. 13
Gen. Stl. Wares, p.	$1.75	Feb. 20	Feb. 10
Do., participating	25c	Feb. 20	Feb. 10
Hinde & Dauch	25c	Apr. 1	Mar. 14
Hallnor Mines	10c	Mar. 3	Feb. 14
Hollinger Cons.	5c	Feb. 25	Feb. 11
Honey Dew	50c	Apr. 1	Mar. 14
Internat'l Nickel	†50c	Mar. 31	Mar. 2
Kerr Addison	5c	Feb. 28	Feb. 10
Lake Shore Mines	20c	Mar 16	Mar. 2
Langleys, pfd.	▪50c	Mar. 11	Mar. 2
Do.	▪50c	June 11	June 2
Do.	▪50c	Sept. 11	Sept. 2
Do.	▪50c	Dec. 11	Dec. 2
Laura Secord	20c	Mar. 2	Feb. 15
Loblaw Groc., A, B	25c	Mar. 2	Feb. 10
Loblaw Inc.	25c	Feb. 28	Feb. 13
Lake of W. Mill.	30c	Mar. 2	Feb. 14
Do., pref.	$1.75	Mar. 2	Feb. 14
Lon. & West. Trust	$1	Apr. 1	Mar. 15
McKen. R. Lake	3c	Mar. 19	Mar. 3
Modern Contain.	20c	Apr. 1	Mar. 20
Do., extra	10c	Apr. 1	Mar. 20
Do., pref.	$1.37½	Apr. 1	Mar. 20
Maclaren Power	25c	Mar. 5	Feb. 14
McIntyre Porc.	55½c	Mar. 2	Feb. 2
Mitchell, J. S.	$2.50	Mar. 2	Feb. 16
Montreal Loan	31¼c	Mar. 16	Feb. 28
Nan.-Duncan Util.	81¼c	Mar. 2	Feb. 14
Nat. Biscuit, c.	†40c	Apr. 15	Mar. 17
Do. pref.	†$1.75	Feb. 28	Feb. 13
Noranda Mines	$1	Mar. 17	Feb. 20
N. S. Lt. & Pr., pf.	$1.50	Mar. 2	Feb. 14
Northwest. Util., p.	$1.50	Mar. 1	Feb. 24
O'Brien Gold	3c	Mar. 23	Feb. 28
Ogilvie Flour	$1.75	Mar. 2	Feb. 16
Ont. Silknit, rights	$1	Feb. 20	Dec. 31
Ottawa L. & Pr.	15c	Apr. 1	Feb. 10
Do., pref.	$1.25	Apr. 1	Feb. 10
Quebec Power	25c	Feb. 25	Jan. 26
Proprietary Mines	5c	Feb. 28	Feb. 14
Petrol Oil	▪2c	Mar. 2	Feb. 14
Photo Engrav.	50c	Mar. 2	Feb. 14
Provincial Bank	$1.50	Mar. 2	....
Regent Knitting	‡40c	Mar. 2	Feb. 16
Reliance Grain, p	$1.62½	Mar. 14	Feb. 28
Rolland Paper, pfd.	$1.50	Mar. 2	Feb. 14
Royal Bank	$2	Mar. 2	Jan. 31
Shawinigan W.	23c	Feb. 25	Jan. 26
Sunset Oils	1½c	Mar. 16	Mar. 5

The Bank of Toronto

Dividend No. 242

Notice is hereby given that a **Dividend of Two and One-half** per cent upon the Paid-up Capital Stock of this bank has been declared for the current quarter, and the same will be payable at the bank and its branches on and after the second day of March next, to shareholders of record on February 14th, 1942.

By Order of the Board.

B. S. VANSTONE,
General Manager.

Belding-Corticelli Limited

Notice of Preferred Stock Dividend No. 109

A dividend of one and three-quarters per cent (1¾%) has been declared on the Preferred Stock of this Company, for the quarter ending 28th February, 1942.

Notice of Common Stock Dividend No. 64

A dividend of one per cent (1%) has been declared on the Common Stock of this Company, for the quarter ending 28th February, 1942.

The above dividends are payable on the 1st day of April, 1942, to Shareholders of record at the close of business the 14th day of March, 1942.

By Order of the Board.

D. F. POLLOCK,
Secretary.

DIVIDEND NOTICE

English Electric Company of Canada, Limited

CLASS "A" SHARES

Notice is hereby given that the Board of Directors have declared a dividend of sixty-two cents (62c) per share on the outstanding Class "A" shares of the Company, payable March 16th, 1942, to shareholders of record at the close of business on February 28th, 1942.

AUBREY MUNDY,
Secretary.

February 14th, 1942.

Ventures Limited

25 King Street West, Toronto

DIVIDEND NO. 12

NOTICE IS HEREBY GIVEN that a dividend of 10 cents per share has been declared by the Directors of Ventures Limited, payable in Canadian funds on March 31st, 1942, to shareholders of record March 10th, 1942.

Payment of this dividend is, under present conditions, subject to obtaining the approval of the Foreign Exchange Control Board.

By order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

February 14th, 1942.

Sudbury Basin Mines Limited

25 King Street West, Toronto

DIVIDEND NO. 7

NOTICE IS HEREBY GIVEN that a dividend of 2½ cents per share has been declared by the Directors of Sudbury Basin Mines Limited, payable in Canadian funds on March 31st, 1942, to shareholders of record March 12th, 1942.

By Order of the Board.

H. WHITTINGHAM,
Secretary-Treasurer.

February 14th, 1942.

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND NO. 88

NOTICE is hereby given that a dividend of Twenty Cents per share, on the issued capital stock of the Company, will be paid on the sixteenth day of March, 1942, to shareholders of record at the close of business on the second day of March, 1942.

By Order of the Board.

KIRKLAND SECURITIES LIMITED
SECRETARY.

Dated at Kirkland Lake, Ontario, February 16th, 1942.

Broulan Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND NO. 6

Notice is hereby given that an interim Dividend of Three Cents per share in Canadian funds has been declared on the issued capital stock of the Company and will be paid (less deductible taxes) on March 31st, 1942, to shareholders of record March 10th, 1942.

By Order of the Board.

D. R. MICHENER,
Secretary.

Toronto, Ontario, February 16th, 1942.

Anglo-Canadian Telephone Company

CLASS A DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and one-half per cent (1½%) has been declared on the Class A Stock of the Company, payable March 2, 1942, to Stockholders of record at the close of business on February 14, 1942.

By Order of the Board.

CAMERON HOUGH,
Secretary.

Montreal,
February 13, 1942.

"CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held January 27, 1942, a dividend of fifteen cents (15¢) per share was declared, payable March 9, 1942, to stockholders of record at the close of business, February 24, 1942.

W. J. WILLIAMS, *Secretary*

Dividends Declared (Cont'd)

	This payment	Date payable	Date of record
Sher.-Williams, pf.	$1.75	Apr. 1	Mar. 15
Do. ordinary	15c	May 1	Apr. 15
Siscoe	2c	Mar. 16	Feb. 13
Stedman, c.	15c+30c	Apr. 1	Mar. 20
Do., pf.	75c	Apr. 1	Mar. 20
D. A. Stuart	20c	Mar. 2	Feb. 14
Sylvanite	5c	Mar. 28	Feb. 14
Stand. Paving, pf.	31¼c	Mar. 16	Mar. 5
Sudbury Basin	2½c	Mar. 31	Mar. 12
Sullivan Cons.	3c	Mar. 16	Feb. 18
Sec. Std. Rylts., pf.	1c	Mar. 16	Feb. 20
Tuckett Tob., pf.	$1.75	Apr. 15	Mar. 31
Toburn Gold	3c	Feb. 23	Jan. 22
Do., extra	1c	Feb. 23	Jan. 22
Union Gas	20c	Mar. 14	Feb. 20
Upper Can. Mines	3c	Mar. 2	Feb. 16
Ventures	▪10c	Mar. 31	Mar. 10
Weston, Geo., c.	20c	Apr. 1	Mar. 12
Wr. Hargreaves	10c	Feb. 25	Feb. 20
Walker-Good.	$1	Mar. 16	Feb. 20
Do., pref.	25c	Mar. 16	Feb. 20
Waite Amulet	10c	Mar. 10	Feb. 14
Zellers, bonus	20c	Feb. 25	Feb. 21

†Payable in U S. funds.
▪Subject to approval of Foreign Exchange Control Board. *Initial.
‡Also 40c, payable June 1, Sept. 1 and Dec. 1. ▲On arrears.

Price Squeeze on Malting Barley

Low Ceiling Seen Bringing Shift to Feed Varieties in West

From Our Own Correspondent

WINNIPEG.—Question of removing the ceiling on malting barley prices is being much discussed in grain circles. Curiously enough, the person who would seem to be most interested in such a proposal, the producer of malting barley, appears inarticulate on the point.

Unlike the wheat producer, he is not concerning himself to ask for more money. He is apparently planning to transfer his efforts to more remunerative production of feed barley. Varieties not suitable for malting usually give considerably higher yields than do the best malting varieties. Not always will the latter varieties produce good malting barley, but when weather conditions are adverse they can still be sold for feed.

Premiums Have Double Job

Premiums paid by maltsters must accordingly remunerate the farmer not only for his efforts in good years but for bad years, when his barley turned out to be fit only for feed and has given him a lower yield.

At present the ceiling price for any grade of barley is 64¾ cents per bushel, with a premium of 5 cents a bushel allowed malting barley. Malting barley is at the ceiling, and the market price for feed barley is approximately 60 cents a bushel. If farmers anticipate such comparative prices next year those who have been specializing in malting barley are likely to seed the feed varieties.

Buyers of malt are getting that product more cheaply because of the ceiling which is generally believed too low. The absolute price per bushel of malting barley is not believed a matter of great concern to the buyer of malt since there is an excise tax of 12 cents per pound over and above material costs. But because of the customs of the trade the premium for malting barley is a matter of importance.

Futures Hedging Affected

Buyers, both of barley and of malt, hedge their requirements in advance by buying barley futures against which barley of feed grade can be delivered. Usually prices of malting and feed barleys advance or decline substantially together, so the buying hedge can be very useful. But if prices of the contract grades are to be prevented by a ceiling from rising, while the malting varieties are uncontrolled, both producers and buyers of malt will have to make a considerable adjustment in their manner of doing business.

Both processors and buyers of malt would probably prefer a price adjustment than find supplies short because farmers had lost interest in malting barley. Those interested in the general agricultural economy of western Canada would regret to see any loss of interest by farmers in producing malting barley. It is a crop which has made use of land which otherwise might have been put into wheat, and one which on occasion has found useful export outlets both in Canada and in the United States.

U. S. Exports Possible

Whether or not a demand will appear from south of the border is always problematical. British brewers have always had a high regard for the malting barley produced in California, which has been considered admirably suited for the production of British beer. Canadian barley, considered useful for distillers' purposes in Great Britain, has not been as well regarded as California barley by the brewers. But American brewers have shown preference for malt from Canadian barley. It would be quite possible for a demand from the United States to develop which would result in a considerable portion of the Canadian malting barley crop going south of the line, leaving the Canadian trade with inadequate supplies unless exports should be restricted.

There appears to be a case for the intervention of the Wartime Prices and Trades Board. That body does not concern itself with the fairness of a particular ceiling price level, or its adequacy as compared with other prices. It does become concerned, however, when it can be shown that a ceiling price on a Canadian product is such as to threaten supplies. Since that appears to be the case so far as malting barley is concerned, either abolition or raising of the ceiling is expected. Such action to be effective will have to be announced shortly, before farmers complete plans for spring seeding.

Rye Goes on Permit List For Future Exports

The government has placed rye, like other feed grains, on the list of commodities for which a permit must be secured before it can be exported. Rye has for some time been at the ceiling price and there has been a demand for it from the United States which would have carried prices well above the ceiling level.

It would have been difficult to give producers the benefit of U. S. demand without taking the ceiling off entirely. This would assume rye to be entirely an export product, on which ceiling prices need not apply. But a state of affairs which held prices down to most producers, while a limited number of owners of rye were able to profit by exporting could hardly be contemplated.

Transactions in rye have practically been at a standstill for some weeks, pending the development of some action by the government, which has been generally expected. The action now taken will limit transactions to the domestic market. Should feed grain prove to be plentiful during the coming crop year, it may be considered unwise to ignore the possibilities of export to the United States, and some relaxation may be considered.

Flour Exports Show Gain

This year starts off with both wheat and flour exports well above figures for the corresponding month of any recent year. Shipments of wheat totalled 11.1 million bushels in January this year compared with 4.9 million bushels in the first month of 1941 and 18.3 million bushels for December last year.

For wheat flour exports in January were 750,363 bbls. against 354,818 bbls. for Jan., 1941, and 930,236 bbls. for December last year.

Export values for both wheat and flour compared favorably with those of recent years.

Wheat Exports

January:	Quantity bus.	Value $	Av. Price $
1942	11,144,808	9,305,930	0.835
1941	4,880,080	3,973,441	0.814
1940	10,357,605	9,249,937	0.893
1939	7,878,963	4,646,437	0.590

Flour Exports

	bbls.	$	$
1942	750,363	3,034,745	4.044
1941	354,818	1,243,404	3.504
1940	725,316	2,612,385	3.602
1939	379,538	1,172,324	3.089

Goodyear Makes Tire of Reclaimed Rubber

Goodyear Tire & Rubber Co. of Canada has turned out an automobile tire made entirely from reclaimed rubber in its New Toronto plant.

P. W. Richards, general sales manager of Goodyear, points out that this is an experimental tire and is not being offered for sale at this time. He points out that its service would not equal that of one made from new rubber, or even a synthetic rubber, and emphasized that this is an emergency job entirely.

Primary Cotton Plants Active

From Our Own Correspondent

MONTREAL.—Primary cotton textile operations in Canada in January were at a record level. According to the Cotton Institute of Canada, 46,512 bales of cotton were opened during the month. This was more than 4,000 bales greater than in the like month of 1941; nearly 8,000 bales above the January, 1940, total, and some 19,500 bales greater than in January, 1937.

DIVIDEND NOTICES

Sullivan Consolidated Mines, Limited

Dividend No. 13

Notice is hereby given that a dividend of three cents per share on the issued capital stock of the company has been declared, payable March 16th, 1942, to shareholders of record at the close of business February 18th, 1942.

By Order of the Board.

A. ARCHAMBAULT,
Sec.-Treasurer.

O'Brien Gold Mines, Limited

(No Personal Liability)

DIVIDEND NO. 6

NOTICE is hereby given that a Dividend of Three Cents (3c) per share has been declared by the Directors of O'Brien Gold Mines, Limited (No Personal Liability), payable in Canadian Funds on 23rd March, 1942, to Shareholders of record at the close of business on 28th February, 1942.

By Order of the Board.

H. A. GREEN,
Secretary.

Ottawa, Ontario.
16th February, 1942.

NEW TRUST HEAD

T. H. Stinson has been elected president of Victoria Trust and Savings Co., succeeding William Flavelle, who has resigned after 40 years service. Mr. Stinson represented the counties of Victoria and Haliburton as federal member of parliament for over 10 years. He was formerly vice-president of Victoria Trust.

Farm Implement Quota Meets Normal Needs

Recent regulations putting production of farm implements on a quota are not expected to handicap the farmer, according to sources in the industry.

Limitation of production during 1942 will likely mean a shortage of some kinds of machines but a considerable volume of implement production will still be allowed. Together with the effort to get the farmer to bring his present machinery up to full efficiency, this production is expected to prevent any drastic shortage.

Manufacturers see the real problem as not being production restrictions but the uncertainty of getting permitted materials in time for seasonal requirements in spite of the industry's high priority rating.

Major implement firms are urging customers to get orders in early as this will assist in deciding the most effective use of available materials.

40% Down Payment

On all retail sales of farm implements, 40% of the selling price is to be paid in cash with credit terms not to exceed 24 months. To western Canada this will make no difference as the 40% cash requirement now made mandatory has been in force there for some years. In eastern Canada where the down payment has been 25%, the increase to 40% is expected to have some restraining influence on farmers' purchases. This should assure that buying will be limited to machines actually needed.

Production of all types of farm implements for the period Nov. 1, 1941, to Oct. 31, 1942, has been put on a quota basis expressed as a percentage of production in 1940. Quotas run all the way from 50% for potato planters to 200% for cream separators and milking machines. Attachments and repairs are on a 140% quota basis.

Line up With U. S.

The step was primarily taken as a metal conservation measure modified by the importance of farm equipment to the maintenance of food supplies. The United States has also restricted production. Canada imports a substantial portion of its farm equipment from the U. S. plus varying proportions of U. S. raw materials, component parts and subassemblies. It has thus become necessary to co-ordinate the regulations of the two countries.

Tractors come entirely from the U. S. not being made in Canada at all. U. S. manufacturers are being permitted to produce only 80% of their 1940 volume. Output of tractors in 1940 was materially less than in 1941 and American manufacturers have no assurance they will get enough material to fill their 80% quota.

Company Reports

Provincial Transport

Provincial Transport Co.'s consolidated statement for 1941 reflects a new record in total operating revenue, passengers carried and mileage operated. Total income at just over $3 millions compared with $2 millions for 1940. Net profit of $154,427 was equal to 62 cents a share, as against $140,322 or 56 cents a share the year before.

Liquid position was somewhat stronger at the end of the year, but net working capital was down owing to a capital outlay of $300,363 on a new garage under construction. This is further reflected in part by an increase in mortgages from $160,000 to $300,000.

Cons. Income and Surplus Account Years Ended Dec. 31

	1941 $	1940 $
Operating revenue	3,010,892	2,059,110
Less: Oper. expenses	1,782,229	1,167,995
Adm. expenses	108,867	96,534
Op. tax & licenses	344,325	255,600
Depreciation	348,747	260,822
Add: Other income	5,541	6,735
Net income	432,262	284,893
Less: Interest	8,185	8,571
Income tax prov.	269,650	136,000
Net profit	154,427	140,322
Less: Dividends	100,000	100,000
Surplus for year	54,427	40,322
Add: Prev. surplus	447,039	412,586
Less: Prior year taxes	8,883	5,879
Surplus forward	492,583	447,039
Earned per Share	$0.62	$0.56
Paid	0.40	0.40

Working Capital

	1941 $	1940 $
Current assets	775,568	591,445
Current liabilities	588,762	333,049
Working capital	186,806	258,396

Balance Sheet Changes

	1941 $	1940 $
Cash	227,901	88,592
Call loans	220,000	155,000
Short term invest.	54,041	214,241
Mat. & supplies	188,813	97,337
Garage (bldg.)	300,363	....
Accts. payable	422,561	233,987
Mortgages	300,000	160,000

Commodities

Prices Display Little Change

With prices of practically everything under control, interest in the commodity markets centres mainly in supplies rather than prices. Shortages of commodities coming from the far east are especially bound to be felt in coming weeks. Prices of these in most instances were close against the ceiling levels.

Of the three spot commodity price indices, two were slightly higher and one lower. Dow Jones index of future commodity prices showed a fractional gain.

In the agricultural group, hog quotations were a shade lower. This was attributed mainly to temporary conditions on the central markets. Cotton prices were a shade easier with demand about equal to offerings.

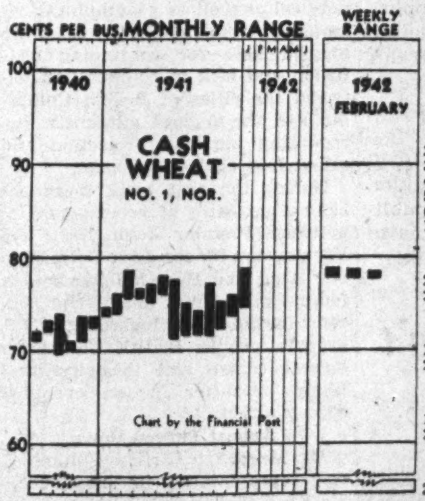
	Latest week	Previous week	Same week last yr.
Cattle	$10.50	*$10.50	$9.75
Hogs	15.15	15.25	11.25
Copper, lb.	.12	.12	.12
Cotton, lb.	.2004	.2007	.1077
Sugar, raw, lb.	*.0374	.0374	.0298
Wheat, Man. (bu.)	.78¼	.78⅝	.74⅞
Coffee, lb.	*.09⅜	.09⅜	.06
Hides	*.15½	.15½	.12
Weekly Indices			
Wood, Gundy	76.5	75.8	67.5
U. S. Labor	95.7	95.9	80.5
Dow Jones (future)	87.07	86.62	55.49
Fishers	102.6	102.4	85.4
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)*	115.4	115.8	108.3
W'sale (Dec.)	93.8	94.0	84.2
U. S. (Nov.)	92.5	92.4	79.6
Gt. Brit. (Oct.)	154.6	154.3	....

Note:—The base of indices is that 1926 equals 100. *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Ric. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices fixed by the office of Price Administration.

Wheat Prices



Cash Quotations

	For Week Feb. 16 High	For Week Feb. 16 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.78½	.77⅞	.78¾	.78⅛
1 Nor.	.78½	.77⅞	.78¾	.78⅛
2 Nor.	.75¼	.74⅝	.76⅜	.74⅞
3 Nor.	.73⅝	.73⅛	.74	.73⅜
4 Nor.	.72⅝	.72	.73	.72⅜
5 Wheat	.71	.70⅜	.71⅜	.70⅜
6 Wheat	.69	.68⅜	.69⅜	.68⅜
Feed	.66½	.65⅞	.66⅞	.66¼
Oats:				
2 C. W.	.50½	.49⅞	.51¼	.50⅜
3 C. W.	.48⅛	.47¼	.50⅜	.48⅜
Barley:				
1 Feed	.59⅞	.59¼	.61¾	.60⅛
2 Feed	.58⅞	.58¼	.60¾	.59⅛
Flax:				
1 C. W.	1.61⅞	1.60⅜	1.62	1.60⅜
2 C. W.	1.58⅜	1.57⅜	1.59	1.57⅜
Rye:				
2 C. W.	.64⅝	.64⅝	.66½	.64⅝

Winnipeg Grain Futures

Week to Feb. 16, 1942

Crop year from Aug. 1, 1941 High	Low		Open Feb. 10	High for week	Low for week	Close Feb. 16	Close year ago
		Wheat					
.82¾	.76¼	May	.80¾	.81⅛	.79⅝	.80	.77
.82⅛	.77½	July	.81¾	.81¾	.80⅝	.81⅛	.78⅝
		Oats					
.51½	.38⅛	May	.50⅛	.50¼	.49⅜	.49⅞	.34¾
.51¾	.43⅛	July	.48⅞	.49¼	.48⅜	.48⅞	.33
.50	.46⅜	Oct.	.47¾	.48	.47⅜	.47½	.31¼
		Barley					
.64¾	.49⅜	May	.64	.64¼	.63¾	.64	.46
.64¾	.55⅛	July	.62¾	.63	.62½	.62⅝	.43¼
.63⅞	.57	Oct.	.60⅝	.61	.60½	.60½	.....
		Flax					
1.64⅛	1.40¼	May	1.62⅝	1.64	1.62⅝	1.63⅞	1.52
1.64	1.48	July	1.63¼	1.63¾	1.62⅞	1.63⅝	1.50¼
1.64	1.60	Oct.	1.63⅛	1.64	1.63⅜	1.64	1.44¾
		Rye					
.67⅜	.51¾	May	.66⅜	.66⅝	.66⅝	.66⅝	.48¾
.66⅝	.60⅜	July	.66⅜	.66⅝	.66⅝	.66⅝	.48⅞
.66⅝	.66⅝	Oct.	.66⅝	.66⅝	.66⅝	.66⅝	.....

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This Week, The Financial Post asked —

General McNaughton Charges Still Some Canadian War Complacency—Do You Agree? —How Can the Situation Best be Corrected?

On his recent return from Great Britain, General A. G. McNaughton said that he thought he detected some feeling of complacency in Canada. Canada's overseas commander was lavish in his praise of the war effort of the Dominion, of the immense industrial contribution we are making, but he warned against any feeling of resting on our oars.

Harold Brown

Chairman, Union Steamships Ltd., Vancouver.

General McNaughton's considered statement that there is evident and perilous complacency in our productive effort is well justified. This complacency is not deliberate or disloyal but is the reflex of a weak unified national spirit which needs strong evocative leadership.

The government should be immediately broadened to a full national status and in view of grave eventualities I consider that a state of national emergency should be declared. These measures would release a surge of confidence, speed power and direction which cannot be hoped for in these fateful days under the aegis of an obviously party government.

Col. E. A. Baker

Managing director, Canadian National Institute for the Blind, Toronto.

People with broad and patriotic outlook including those who served and suffered in the first great war or in this war are anxiously concerned and not complacent.

Many Canadians, including particularly those of racial origin other than British, fail to understand or refuse to recognize dangers of present situation and need of total effort by all. Education by press, radio and community groups can help but consider compulsory selective service fairest and most efficient method of ensuring earliest and most effective support.

Disagreement with government policy or criticism of present efforts is a poor alibi and no excuse for lack of personal effort and support in this emergency.

W. H. Belford

Editor, Times-Journal, Fort William, Ont.

As long as there is a normal adult Canadian who is not anxious and alert in respect to the perils of this war there is more complacency in the country than there should be.

As we seem to be committed to the plebiscite to release the government from past commitments respecting the methods of raising fighting forces, everyone who is alive to the danger hanging over our country and our freedom should strive to the uttermost to carry this plebiscite in the affirmative.

Another practical effort would be to support the second Victory Loan to the limit.

Roy Duchemin

Editor, Post-Record, Sydney, N.S.

Not until the Canadian people have had some real shocks will they be able to shake off their complacency as regards the war effort. Nothing, apparently, can shock the government, and if Mr. King and his colleagues are satisfied with Canada's war record, who are the people to say them nay, and what if they do?

Canada's war preparations so far have been deliberate, but, far from being thorough, have been bound up in interminable red tape, bureaucracy, officialdom, and stuffy oratory.

The remedy?

None under the present set-up, unless there is a terrible awakening, when new and better leadership would be inevitable. It might not prove the solution, but it would provide an improvement.

Ludger Faguy

Quebec City, state deputy of the Knights of Columbus for Quebec province.

We agree with General McNaughton's charges.

There is a lack of determination in output of essential war materials.

This situation can best be corrected by the unity of accomplishment, thereby the chart indicator will rise and with this unity will not fail until victory is ours.

The workers should always set a point higher than previously accomplished and if we all work to a common objective we will eventually be able to cope with any situation.

Geo. B. Foster, K.C.

Montreal, president, Air Cadet League of Canada.

I agree that complacency still exists because the people have not yet been sufficiently apprised of our great peril. Canadians will not become downhearted or turn into laggards on news of danger or adversity.

What should be emphasized is not what we have done but what still remains to be done and the short time there is to do it. To compare our achievements on a population basis to the effort of others does not appeal to me as the way to spur on our people to greater sacrifice and effort.

Mrs. Madge MacBeth

Ottawa, president, Canadian Authors Association.

I agree completely with General McNaughton. Correction is possible only through brave facing of truth, sincerity of war effort and public understanding of national danger.

I feel that our leaders should think more of winning war than holding office which they would lose if Axis triumphed.

Subversive activities should be suppressed regardless of high position of instigators.

Women should replace men in all essential industries. Put women into victory jobs and begin with me.

A large proportion of our population lacks understanding of freedom therefore fears no authoritarian form of government. Twenty years' easy living have made many evade necessary sacrifices.

A. G. Penny

Editor, Chronicle-Telegraph, Quebec City.

Many, if not the majority of Canadians, consciously or subconsciously believe Canada's war position secure through Anglo-American protection. They cannot realize possibility of direct attack unless perhaps on Pacific Coast to which it would be confined.

Enemy air raids over eastern Canada or serious reverse to American arms in battle of Atlantic would awaken them to realities.

Otherwise only apparent hope of correcting situation is carefully organized speaking tour of national leaders in whom people have confidence and of military experts such as General McNaughton whose competence is recognized to state facts of war peril convincingly.

J. D. Ruttan

Winnipeg president, Manitoba Section, Navy League of Canada.

General McNaughton's opinion undoubtedly is shared by many Canadians. I believe the average citizen is anxious to do his part but that complacency is encouraged by lack of direction.

In my opinion our leaders have underestimated our patriotism and overrated our imagination. The quickest way to awaken us all to a full realization of our responsibilities is to tell us what we must do rather than what we should do. Let us stop flying kites and get going on Hurricanes.

Elmer E. Roper

Editor, Peoples Weekly, Edmonton, and prominent in Alberta C. C. F. circles.

There is some complacency and some indifference but the chief weakness in Canada's war effort is lack of effective organization of the nation's material and human resources.

There should be no begging for men, money or materials. The growing army of price administrators and similar officials should be displaced by complete controls over all industry.

Elimination of duplication and waste could be brought about by closing down or consolidating plants in non-war industries where possible to save men and materials.

Incomes from any source should be strictly limited. Instead of loans to keep people from spending, production of civilian goods should be limited and rationed if necessary and all possible production above a reasonable living standard should be used for war.

Complacency will disappear with courageous action along these lines by national government.

B. S. Robb

Editor, The Transcript, Moncton, N.B.

Canada has reason for pride in what has been accomplished, as General McNaughton's own tribute to war effort on his return indicates.

There is, however, no excuse for self-satisfaction concerning present or future so long as another ounce of energy can be added to our efforts.

There is little evidence of complacency in the maritime provinces, as recruiting and answer to every other demand demonstrates. People in this part of Canada are doing everything asked of them and seeking opportunities to do more.

Major Clifford Sifton

Of Toronto, director Winnipeg Free Press and other Sifton group papers.

Greatest possible war effort can proceed only from thoroughly informed and united Canada. Our most immediate obstacles are insufficiently informed public and bitter disruptive wrangling. As corrective I suggest frequent, informed, frank and objective discussion of our situation in parliament which through press reports will accurately inform and interest the public and regular frank radio discussions of current situations by responsible Canadians under non partisan direction.

As Wendell Willkie pointed out political parties not in power should wholeheartedly encourage not disparage governments' war efforts if they are to survive and enjoy opportunity after the war to take part in democratic government.

C. F. Basil Tippet

President, Tippet-Richardson Ltd., Toronto, director Western Canada Flour Mills Co.

Complacency means tranquil self satisfaction. To whom did General McNaughton refer? If he meant our leaders no doubt his private information will urge them to set a faster pace.

If he meant the average Canadian, only knowledge of actual proximity to danger or starvation will lift them farther above petty ambitions, jealousies and selfishness.

General McNaughton implies that the danger is greater than the average Canadian believes. If this is true our leaders should give us more facts to shake us from our tranquility.

I believe the average Canadian is answering the calls upon him Louder calls based upon publicized needs will bring increased co-operation. Tell us the truth!

London Calling

by Adelphi

LONDON. — Winston Churchill has written a remarkable foreword for Barbara Cartland's forthcoming book on her brother Ronald, the young M.P. who was killed fighting a desperate rear-guard action at Dunkirk.

I knew the Cartland family well and it is a strange story. They lived in the lovely Malvern country near Worcester. The father died some years ago but his widow, a gentle and beautiful creature kept house for her three strikingly good looking children. They were moderately well off and were able to maintain a pleasant place in the country. When Barbara came to London her beauty marked her out for a social success and she married a young man named McCorquodale. The marriage was dissolved and Barbara married a cousin of her husband also named McCorquodale. In the meantime Barbara took to writing novels, rather smart and sentimental with more plot than literary style—which was a pity for in conversation she was, and is, quite brilliant.

A rich and rather eccentric bachelor uncle in Birmingham took a fancy to the handsome young Ronald Cartland and made a will leaving his vast fortune and estates to the boy. Fortified by this assurance for the future Ronald entered Parliament and also joined the Territorials at the same time. Although a Conservative he became an implacable opponent of Chamberlain, being convinced that appeasement could only lead to disaster. He supported the rebel Churchill and was not only castigated by the whips but his own constituents talked of asking him to resign. Nothing deterred him, however, and despite his youthful appearance he began to make an enviable political reputation for himself based on courage and character and a forceful attractive style of speaking.

* * *

Died at Dunkirk

Then one evening in July, 1939, Chamberlain moved that the House should adjourn as usual until October subject, of course, to recall in case of emergency. Cartland leaped to his feet, gripped by an almost uncontrollable emotion.

"This House must not adjourn," he cried. "Every day, every hour counts now. I tell you that in a few months my generation will be dying by thousands in France. We are going to be killed and you dare to talk of the usual adjournment."

An old Birmingham M.P., whose constituency adjoined Cartland's, tried to quiet him and apologized to the House for his young friend's unseemly excitement. Cartland jumped up again and with wild eyes repeated what he had said. The House was startled, rather shocked, but moved.

When the British Army began its desperate retreat to Dunkirk there were two brothers among the troops left to stem the German onslaught. One was the youthful Major Cartland, M. P. the other was Captain Cartland, his elder brother. Both boys were killed.

Three months later the rich uncle died. The boy who would have had wealth, position and a great political career had paid the price of his citizenship.

* * *

No wonder Churchill agreed to write the foreword. He was in the House on that fateful night in 1939 and when others were urging Cartland to restrain himself Churchill turned round to encourage him.

Westminster is rich in memories that extend back through the centuries but this war is adding to them. The actual House of Commons itself is gone, destroyed by the eternal vandal, but it is not a thing of bricks and morter. And Ronald Cartland will have a place in its legends from real life.

* * *

Senator Sees Stalin

What is Stalin really like? Here is what ex-Senator R. D. Elliott of Australia told me after his trip to Moscow with Beaverbrook: "He entered the ante-room before the banquet and proceeded to shake hands with us all. He is rather short, with heavy moustache, and soft, gentle voice. His anxiety that no one should be missed was remarkable. He would reach his hand over someone's shoulder to shake hands with some minor official who was too shy to press forward. Judging from appearances only you would say that here was a paternal, kindly, solicitous man whose glove was not only velvet but concealed no iron hand. He was a perfect host."

I am reminded of that keen student of philosophy and life, "Little Buttercup," who sings in "H.M.S. Pinafore": "Things are seldom what they seem."

* * *

What's Ahead for Cripps?

The future of Sir Stafford Cripps is causing discussion in political circles. The war, plus his abilities and a lot of luck, has increased his prestige enormously. If you are accredited to a country as Ambassador and that country comes into the war on your side then you automatically receive credit. The cynic might say that it was Germany who brought Russia in, but the fact remains that Cripps, once the bad boy of Westminster, is now regarded as one of the men of destiny.

Before the war he was a Communist in everything but name and income.

He made £20,000 a year as a corporation lawyer, advocated the nationalization of the banks, the control of the political executive by the party, the right of the party in power to extend the life of a Parliament indefinitely and even made dark hints about Buckingham Palace much after the early fashion of Mitchell Hepburn in relation to Government House in Toronto.

He called his socialist colleagues "Comrade" and was so extreme in his views that he was finally expelled from the socialist executive. He was always advocating socialism which offended the good men on the socialist benches.

It was a stroke of genius to send Cripps to Moscow as ambassador. In short it was the policy of "coals to Newcastle" adapted to diplomacy. Rumor has it that he now admires Russia greatly and sees much merit in her political system but does not think it would suit the British. At the same time the thin-necked, sonorous-voiced Sir Stafford Cripps is unlikely to join the British Tory party.

Coast Impatience Mounts Over Slow Defense Steps

From Our Own Correspondent

VANCOUVER. — Muddled thinking, procrastination and Ottawa's political as well as geographical remoteness from the Pacific coast are blamed here for continuing confusion and lack of co-operation between the cities of British Columbia and the federal administration regarding air raid protection and safeguards against sabotage.

During the past week there has been a crossfire of correspondence between Premier John Hart and Vancouver's Mayor Jack Cornett on one hand and Hon. Ian Mackenzie, federal minister of health and pensions on the other, regarding A.R.P. preparations in British Columbia's largest centre and the city most likely to suffer in the event of enemy attack.

Appeal Turned Down

Mr. Mackenzie, British Columbia's sole representative in the Mackenzie King cabinet, has been appealed to for assistance, but widespread resentment is reported toward his letter to Premier Hart in which he declared Ottawa could not undertake to foot the bill of $85,000 asked for by the city of Vancouver for air raid protection.

If the Ottawa government continues in its refusal to co-operate financially, Mayor Cornett, who took personal charge of A.R.P. organization in Vancouver a few days ago when the original set-up broke down, says that the city will have to take steps to provide its own defenses through voluntary subscription.

The British Columbia Legislature recently passed on legislation giving municipalities the right to levy taxes to cover A.R.P. expenditures.

Apart from criticism of Ottawa's attitude toward air raid protection, growing dissatisfaction with the larger programme for coast defense is reported and while there is recognition that the situation has improved during the past year it is felt there is no room for complacency.

The B. C. Legislature, at its final session this week, went on record as follows:

"This legislative assembly of British Columbia, conscious of the gravity of the war and more particularly in its relation to the security of the people of the province of British Columbia, consider it our solemn duty to call the attention of the Federal government of Canada to the immediate necessity of completing the strongest and fullest measures of defense against our enemies."

"Neither the military nor the civil authorities have brought home to the people the seriousness of the situation," declared Herbert Gargreave, C.C.F. member.

"Singapore tells its own story of unpreparedness. The military seems to be a law unto itself. It is allowed to bungle and the civil authorities do nothing.

"The statement of Pensions Minister Mackenzie should cause us uneasiness. I submit the greatest difficulty is to drive into the heads of responsible authorities back east the actual situation out here."

C. P. R. Abandons Line In Lardeau, B.C. Area

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway has been given permission to abandon operation of its Lardeau sub-division between Lardeau and Gerrard, B.C., a distance of 33.1 miles. It was pointed out that there has been a general decline in population of the area until only some 60 to 70 persons remain.

May Combine With U. S. Gov't In Building Salmon Runs

From Our Own Correspondent

VANCOUVER. — The Canadian and United States governments will probably be asked soon to finance construction of fish ladders on the Fraser River to restore the famous sockeye salmon run in that stream.

Since fishermen of British Columbia and the state of Washington share in the river's catch it is expected that the two nations will share equally in the cost of the project, which would be similar in general plan and effect to the series of fish ladders established on the Columbia River some years ago.

The device would be an attempt to give the fish passage up the river to the spawning grounds. During 1941 the river near the so-called Hell's Gate canyon was seriously obstructed by rock slides and the salmon milled around in the shallows for days, unable to ascend.

Slides in the Fraser Valley have been a hazard to the free run of salmon ever since the disastrous "choke" of 1913 during construction of the Canadian Northern Railway along the banks of the canyon. Blasting caused hundreds of tons of rock to fall into the river and for a while it was feared that the entire salmon run was threatened.

Ever since, the Hell's Gate situation has been a recurring peril. To blast the rock from the bottom of the river might have far-reaching effects on the salmon and instead of making it easier for them to gain access to the spawning beds, might drive them away forever.

For that reason the International Sockeye Salmon Commission is reported to be recommending that a new channel be cut through the rock to allow the fish to by-pass Hell's Gate altogether.

The channel would be built in gradual steps so that the salmon could move upward in relatively easy grades. At present the turbulent water of Hell's Gate stops the fish only at certain water levels.

"I DON'T SKI IN FEBRUARY —I GOLF"
SKIING IN THE

SORRY, LADY, THEY FORGOT YOU LIVE IN *VICTORIA!*

CANADIAN radio audiences don't all live in the same spot. Some live at sea level, some in mile high places. Some live at 50 below zero while others pick flowers a few miles away. They're just beginning breakfast in Lethbridge when Haligonians have already finished lunch.

Time, Temperature and Geography play hob with some radio programmes — but not with those heard over the All-Canada stations!

Through its closely-knit family of individual stations in strategic locations across Canada, All-Canada is able to offer you the best time of day for your particular programme in each time zone. If your commercials need a local slant to make them more effective, you get that, too. And everywhere you find them, you'll find that All-Canada stations are the preferred stations — the high spot on the dial of the prospect you want to sell.

If you want a national spot programme that rings the bell, All-Canada is your answer. And whether you want one locality or all Canada . . . you want ALL-CANADA.

ALL-CANADA

ALL-CANADA RADIO FACILITIES Limited

MONTREAL • TORONTO • WINNIPEG • CALGARY • VANCOUVER

WAR ON TWO SIDES

CANADA needs your help to wage this war . . . one that has to be fought on both sides of the country. Invest your present savings in the New Victory Loan; or buy these Bonds on the instalment plan, to be paid for from future earnings.

BUY THE NEW VICTORY BONDS

1 If time is required to pay for Victory Bonds this Bank will lend you the money for convenient periods at low rates, the cost of carrying the loan for six months being covered by the interest on the bonds.

2 This Bank will accept delivery of the Victory Bonds on your behalf whether you pay for them in full or desire to borrow against them. Give your subscription to the Victory Loan salesman who calls on you and tell him you want to take delivery of your bonds through us.

3 Safety Deposit Boxes, or adequate safekeeping facilities, are available at branches of the Bank for protection of your Victory Bonds and other valuables, at low cost.

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RT. HON. SIR THOMAS WHITE, G.C.M.G., CHAIRMAN OF THE BOARD

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A. E. ARSCOTT, Vice-President and General Manager

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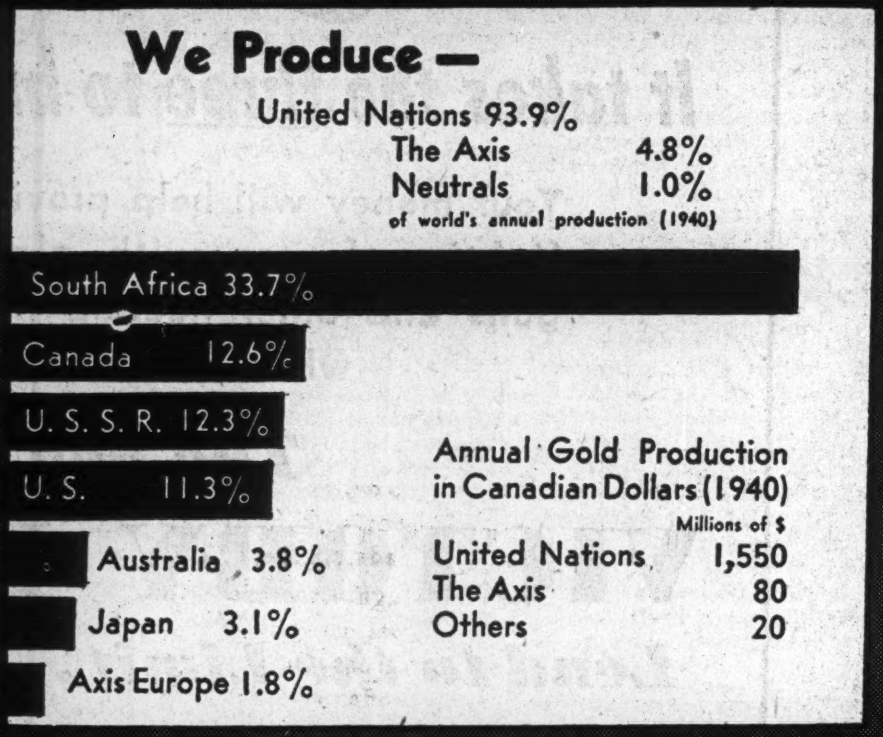
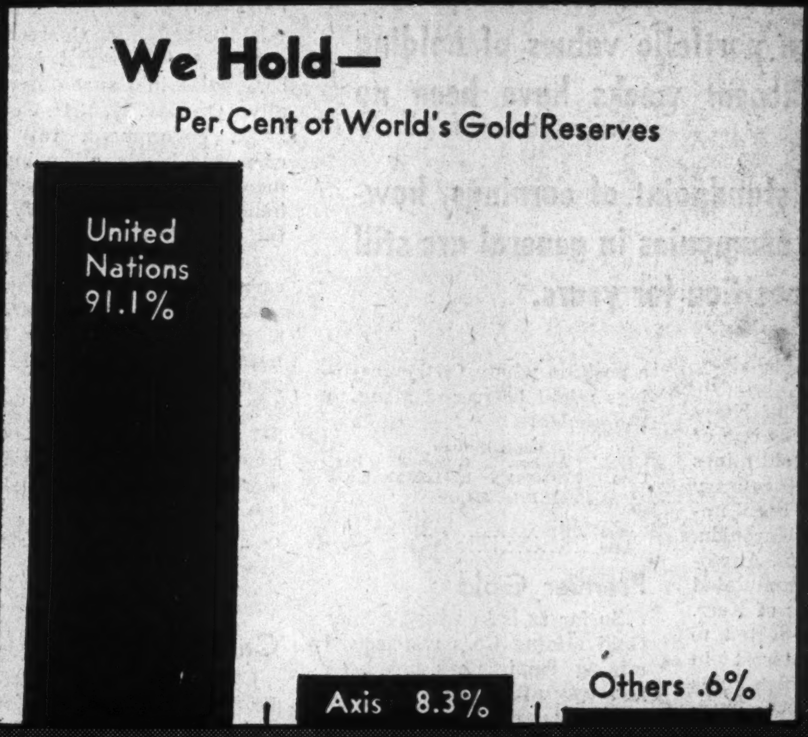
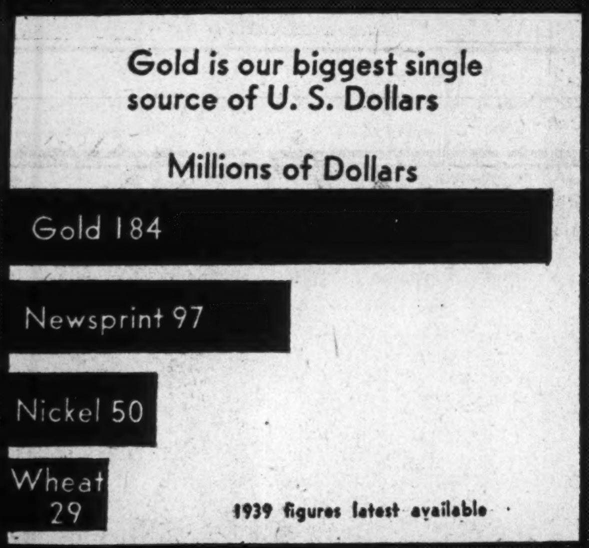
Gold Fights For The United Nations

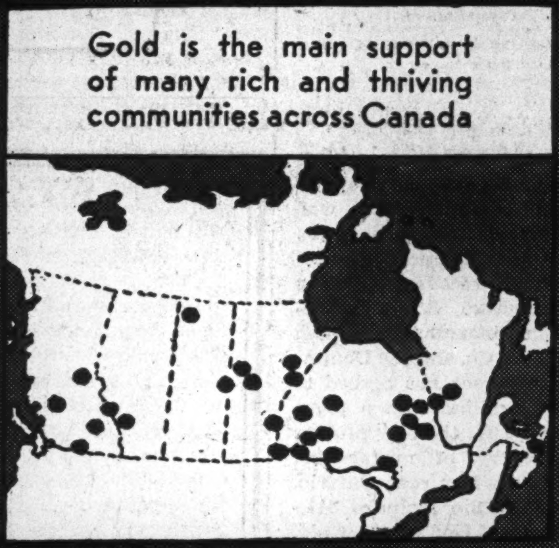
What Gold Means to the United Nations

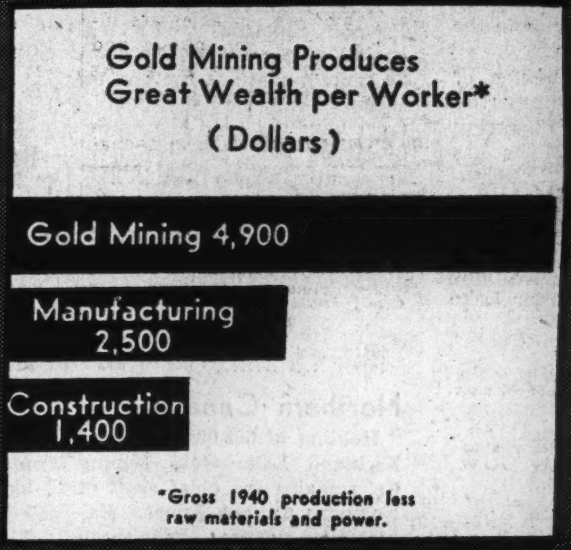

We Produce —


We Hold—
Per Cent of World's Gold Reserves

What Gold Means to Canada

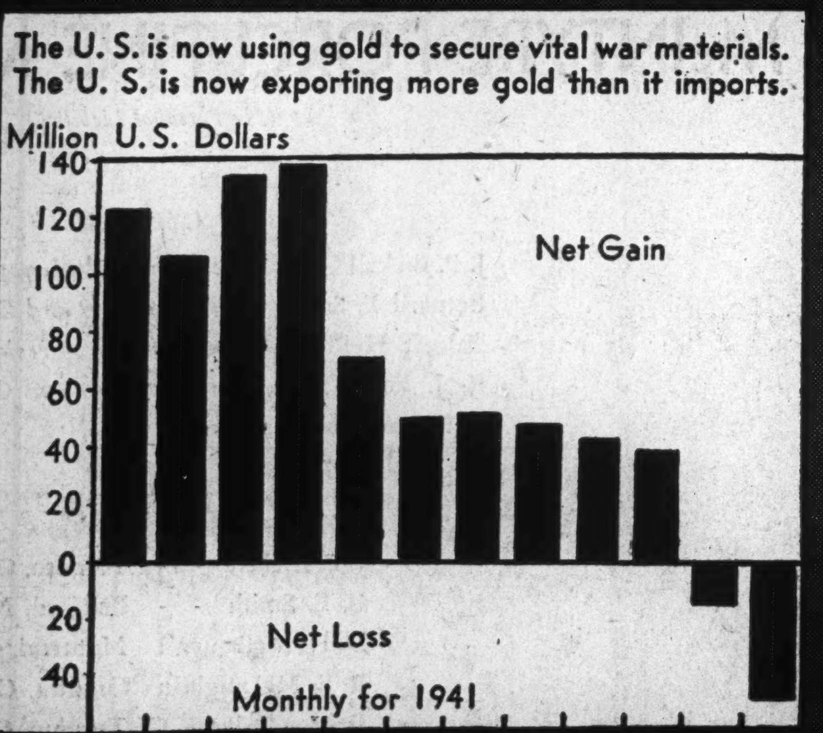

Gold is our biggest single source of U. S. Dollars


Gold is the main support of many rich and thriving communities across Canada


Gold Mining Produces Great Wealth per Worker*
(Dollars)

*Gross 1940 production less raw materials and power.

Gold Now Helps the U. S. to Arm


The U. S. is now using gold to secure vital war materials.
The U. S. is now exporting more gold than it imports.

Gold Will Rebuild the Postwar World

The gold of the U. S. A. and other United Nations will re-establish for the world an international monetary system that will end barter deals, "clearing agreements" and other barriers to reconstruction.

Gold loans to economically "blitzed" countries, and new frontier countries, can create markets sufficient to raise the standard of living of every nation.

Propaganda against gold has been one of Hitler's main psychological and economic weapons against the democracies. Gold has for ages been synonymous in the civilized world with confidence and sound dealing.

Chart by The Financial Post

The United Nations have two jobs to do—win the war and win the peace. Gold is essential to each.

For winning the war gold has two functions—

1. The direct job of buying war materials.
2. The indirect, psychological function of undermining Axis morale, maintaining our own.

As a direct war metal gold is beginning to flow out of the United States coffers. At the end of December, there were $63 millions less in bullion in the U. S. than at the end of October, despite continued imports.

Where that money went is an official secret, no information on movement of this war metal has been released by the U. S. government since last May.

What it will do when it reaches its destination (probably South America) is less of a mystery. It will buy war materials for the United Nations — rubber, cotton, copper, nitrates—which can no longer be paid for in manufactured goods. It will defeat efforts of Axis agents to buy the same materials, will defeat their efforts to influence Latin American nations against us.

In short, the gold now leaving the U. S. will continue to perform the war work that so much of it did earlier for the Empire. Around $800 millions a year of Empire gold has found its way to the United States since war broke out, bought goods impossible to secure before the U. S. dropped neutrality. A quarter of that flow of newly mined gold began in Canada.

Money and Morale

The indirect, psychological aid that gold will give the United Nations is to maintain our morale, help destroy Axis morale.

A prime factor in national morale is faith and confidence in the national money. United Nations money faith is founded on adherence to gold as one touchstone of confidence in the paper money issued by the democratic governments. Axis money has no backing better than a Hitler promise, has been used as a tool for looting the continent, is only accepted by enslaved Europe at the gun-point. United Nations money attracts the free individual, Axis money repels.

That basic weakness in the Axis armor is intensified by the contrast of real money circulating beyond reach of their guns. Nazis Goebbels, Goering, Hess, Ley and others are all reported to have made big deposits of gold outside the Axis orbit. Last summer an English agent back from Nazi Europe reported buying the freedom of a Jew from a Nazi concentration camp. Method—bribing the camp commandant with money to be deposited in New York.

Isolated instances now, partly because of official secrecy, the full tale of the victories scored by gold in this war may never come out. Not all of them did after the last war. Only in the last few years, for example, did it become known that Lawrence was well padded with sovereigns to finance his revolt in the desert. Incidentally, gold sovereigns bearing the head of George VI are reported to have appeared recently in the Middle East.

Gold Fights for Canada

Canada's story is typical of that of other United Nations. For Canada, gold provides:

1. Foreign Exchange—About $205 millions in 1941, equal to one fourth of all the U. S. dollars provided by Canadian exports in that year, one ninth of all Canada's exports.
2. Taxes on approximately $60 millions of wages and salaries; on the $21 millions of supplies purchased; on the $94 millions left for direct taxes on mining profits, depreciation and dividends; on the personal income gained from roughly $50 millions paid in dividends by purely gold mining companies.
3. A living—for 32,000 miners, their families and the communities built up to serve them. Rough estimate of the total number supported by the gold mines has been placed at over 200,000 Canadians.
4. Morale—gold production maintains the morale of the civilians employed directly and indirectly. Many of those serving the miners could not find other jobs and would become reliefees instead of taxpayers if it were not for the steady production of the gold mines.

Multiply that list by three, the ratio of gold output per capita in South Africa to that of Canada, and you have a rough valuation of the domestic importance of gold to South Africa. Divide it by two and you have the corresponding figure for Australia. The economic fabric of all three Dominions is inseparably bound with gold, and through investment holdings, other trade relations, the economy of the United Kingdom is as vitally linked to gold.

Add to those data the fact that Russia and the United States both produce about as much gold as Canada and you have the measure of the importance of continuing gold production to the United Nations. You also have the basic reason for Axis anti-gold propaganda, a propaganda that will continue as long as Rome, Tokio and Berlin have little gold and fear our use of it.

Axis anti-gold propaganda, quoted by W. Redelmeier, Netherlands banker now in Canada, in his recent book "The Gold Standard," has been one of the major psychological attacks directed from Berlin, one of the most cunningly executed.

"The nations will no longer permit their economic life to be dictated by the supernational power of the gold standard," said Hermann Goering's paper in mid-1940. "Gold is no longer of value but only a factor for subjugating and lording it over the peoples," said Hitler on Dec. 10, 1940.

The very essence of Nazi propaganda technique is contained in those two statements,

(1) A lie so barefaced as almost to defy denial—in this case—gold, not the Nazis, is said to be the real dictatorship.

(2) Repetition of the point they wish to drive home—gold has no value. But Nazi leaders did not hesitate to make deposits in gold-backed currencies while they were able to.

(3) Direction of their propaganda in such a way that honest doubters within the democracies will pick up the thought, unintentionally carry on the attack under their own power. In this case the Axis is appealing to the "inflationist" element within the democracies, an element which has appeared in America sporadically from the days of Andrew Jackson to those of William Aberhart and Social Credit.

But when Goering fulminates against the "supernational power of the gold standard" he gives the whole show away. Like the League of Nations, like international law, like freedom of international trade based on human welfare, gold is a vital factor in international co-operation and interdependence. As such it is the direct opposite of every Nazi ideal of government and world-conquest. The "New Order" is to have only one supernational power, that of Nazi arms.

To its job of winning the war, gold will add the responsibility of winning the peace.

First will come physical reconstruction.

Purchasing power of the United Nations will have to be maintained. That means more gold from those who can produce it, loans of gold to those who can't. Ultimately, the gold should balance out again, become redistributed through normal trade balances. But in the initial stages, gold and money with gold backing will be needed to lubricate the channels of trade dried by depression, axis depredations and war.

Important factor in the postwar reconstruction will be the state of international balance sheets. Even the vast production of the British Empihe has not been sufficient to make it entirely pay-as-you-go in the purchase of war materials. Even the United States, now using gold to pay for its war effort is unable to meet all its own requirements. But as far as can be managed, Canada has been able to meet much of its purchases through gold, has been able to avoid many otherwise inevitable postwar debts. Supplemented by other trade in war and peace materials, Canada's gold production means $200 millions less debt for each year of the war when she comes to the conference table after the war. If we are able to meet the postwar problems with a clean balance sheet it will be largely because of our continued gold output.

Essence of Trade Democracy

Even in the democratic nations, there are few who realize how closely gold is meshed in with the inner meaning of democracy. Like the right to vote in political freedom, gold is the essence of economic freedom.

Run over a few items of our debt to gold in recent years:

The U. S. gold policy since 1933—kept the trade of the Empire on its feet; provided economic support in the depression, war materials since 1939.

Before the 1929 dislocation, gold was the instrument through which the greatest era of international trade, foreign investment to develop natural resources was achieved. Common denominator and measuring stick of international values, the vast industrialization of the 19th century and the brightest years of the 20th could not have been achieved without the use of gold.

Gold has been the only medium on which international confidence has been successfully based. Its movements have been the free speech of economic life, the praise and blame of economic actions and trends in different areas. Since before 1929, the steady flow of gold toward the United States has shouted criticism of the world's economic health. We didn't listen and because we didn't, gold itself has come in for an undeserved share of the blame for economic maladjustments.

Playing the Nazi Game

What about the current situation? Should we continue production?

Yes—because if we express contempt for gold we are playing the Nazi game. Cutting production will be taken to mean that we no longer believe in gold, that our dollars and pounds and gulden are no longer backed with more than a promise. In effect, it would be our promise against that of the Axis. We know the difference in the value of the two promises, but how about a wavering neutral?

Yes—because if we break production we are snapping a chain that may be hard to weld together again after the war. We would break a main link in our own system of international self-regulation; we would lay waste an industry supporting some 32,000 direct workers in Canada, perhaps 500,000 in Africa, together with disrupting the towns, schools, railways and public utilities built to serve them and their dependents. We would be closing down a source of purchasing power that buoyed up our economies in the most difficult depression years, was instrumental in building the entire fabric of western civilization. It is easier to destroy than to rebuild.

It is a question of relative values: if stopping gold production would aid our war effort, then we ought to stop gold production, no matter who loses or what the cost. But the evidence is convincing that gold is one of the most important of our war weapons.

Yes—because gold is a war metal. It has already bought the Empire arms worth about $800 millions a year, is beginning to perform the same function for the United States. Psychologically, it stands as the direct opposite of the Axis money, is a potent weapon against the Axis in the hands of our secret agents. If we help bring gold into disrepute we are robbing ourselves of a store of some $29,000 millions of a war material which the Axis cannot duplicate, a war material which has been built up over generations by the industrial and trading efficiency of the United Nations. We would rob ourselves of our 92% of the stock of that war metal and our 95% of its new production.

Yes—because relatively little could be gained by cessation, much lost. A large proportion of the workers employed are not fitted for work in other war industries, particularly in South Africa where much of the work is done by relatively unskilled Kaffirs. Almost none of the specialized equipment used by the mines could be re-employed in other war work, and little of the capital equipment built to serve the mining communities could be transferred. For example, the power now used by the mines in northern Ontario cannot be piped to war industries because the hydro grid system does not extend to the north.

One newspaper suggested the other day that our gold miners be switched to making synthetic rubber. If they could be quickly switched and start making rubber tomorrow, it might be a good idea. Again it's a question of relative values, plus a question of whether proposed diversion is even possible. Britain, for example, has gone all out on war but still makes fine china. The industry couldn't be switched over to war quickly enough to compensate for the loss of dollars involved in closing up the chinaware plants.

And a final yes—because gold and its continued production are the earnest of one of our fundamental differences from the Axis enemy, a concrete token of the higher value of our money over the gunpoint money of the totalitarian god-states.

War Metals Now Their Goal

Holding Companies Take Share in Working Out New Processes

Holding companies — with their large resources of liquid assets—have been swinging in behind the war effort.

To their usual role of financing new mining enterprises, a wartime role has been added: Securing production of strategic minerals and financing of base metal operations.

Full scope of work being done has not been revealed and the complete story will probably not be told until after the war. An important part has been played, in research work on extraction of aluminum from Canadian ores, several companies have co-operated in a successful investigation for extraction of magnesium from dolomite and one holding company holds the distinction of carrying on special research in the aircraft field. Another smaller holding company has worked on developing a new anti-tank gun.

Depression of the mining share market ha- been reflected in lower portfolio values for holding companies. Despite this, earnings have been maintained at a relatively high rate save for increased taxation.

Ventures Ltd.

The general public has failed to realize the important stake of Ventures Ltd. in the "war metal" field. Besides Falconbridge Nickel, Ventures also controls Sudbury Basin Mines. Old records have been gone over recently to see if it might not be possible to resume work at the Sudbury Basin property to help meet the current demand for base metals.

Engineers of Ventures have been working with those of Aluminum Co. of Canada on a substitute for bauxite as a source of aluminum. It is believed that in the case of an emergency, aluminum could now be extracted from a substitute.

Earnings in 1940 were 32 cents a share. Falconbridge in 1941 paid 20 cents a share dividend against only 7½ cents the previous year, and prospects are for a considerable increase in the 1941 Ventures profit. Capital expenditures have not been heavy the past year and it is possible that working capital has been increased materially over the $1 million reported a year ago. Di·idends may start from La Luz Mines — a very important Ventures holding.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,573,951 sh.	n.p.v.

Price Range

	High	Low
1941	$4.90	$2.95
1940	4.35	1.95

Sudbury Basin

Sudbury Basin, like Ventures, will do better this year reflecting increased income from Falconbridge Nickel. Earnings in 1940 were cut to less than half at 8 cents a share, but the earning position is believed to have been largely restored in 1941.

Years ago Sudbury Basin indicated over 800,000 tons of copper-lead-zinc ore at its Vermilion Lake property in the Sudbury area. Since then the old Treadwell-Yukon property —where a 2,000-ton mill was once planned—has been added. Reopening is quite possible.

Besides its holding of 1,188,810 shares of Falconbridge Nickel, Sudbury Basin owns over 800,000 shares of Canadian Malartic, 471,000 shares of Hoyle and in the neighborhood of 300,000 shares of La Luz Mines.

Com. 2,000,000 sh. 1,689,505 sh. n.p.v.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,689,505 sh.	n.p.v.

Price Range

	High	Low
1941	$1.90	$1.10
1940	2.05	0.85

> **Declining stock markets usually have their effect on portfolio values of holding companies. Recent weeks have been no exception.**
>
> **From the standpoint of earnings, however, holding companies in general are still in their best position for years.**

Anglo-Huronian

Gradual disclosure of Kerr-Addison Gold Mines as one of the most important gold mines to be opened up in this country in recent years has been important to Anglo-Huronian. Over a period of years, Anglo-Huronian has accumulated around 400,000 shares of Kerr. In addition, it is reported to hold controlling interest in Proprietary Mines which holds an additional 1,000,000 Kerr-Addison shares. Dividend distributions now being made by both Kerr-Addison and Proprietary, suggest that Anglo-Huronian will show increased income. Earnings in the year ended July 31, 1941, were 18 cents a share

"Break-up" at Oct. 15, 1941, was $5.11 a share. Of net liquid assets, 73.7% was invested in Canada and the balance in the United States.

In spite of war, policy of searching for new properties has been continued. Financing of Laguerre Gold Mines has been assisted and Anglo-Huronian has been instrumental in formation of Amalgamated Larder Mines to explore a long section of favorable formation in the Larder Lake area.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,500,000 sh.	n.p.v.

Price Range

	High	Low
1941	$3.15	$2.00
1940	3.00	1.40

Mining Corp.

Never since its old silver-producing days perhaps, has Mining Corp. of Canada shown such interesting prospects as at the present. Investment portfolio has substantial holdings in a number of issues in the spotlight recently. Normetal Mining Corp., which has been emerging as a profitable producer since the discovery of extensive higher than average grade ore at depth, is likely to commence dividends this year. Mining Corp., holding almost 2.5 million shares, stands to benefit substantially by any distribution. Hudson Bay Mining & Smelting Co., in which Mining Corp. holds 81,287 shares has been increasing its earnings.

Mining Corp. earnings in 1940 were 3 cents a share. It is possible that this figure was exceeded slightly in 1941. A much more substantial advance seems in prospect for the current year. Mining Corp. is in a position where further earnings might be passed along to shareholders.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,754,006 sh.	n.p.v.

Price Range

	High	Low
1941	$1.77	$0.60
1940	1.33	0.40

Premier Gold

So far as is known, Premier Gold Mining Co.'s widespread mining empire has not been seriously affected by the war. Profitable mining operations are being carried on in British Columbia, Ontario, Saudi Arabia, Australia and Nicaragua.

Apparently reflecting lower earnings, the dividend rate was reduced to 8 cents a share per annum with payment of a quarterly dividend of 2 cents on Oct. 15, 1941.

Aside from its investments, Premier reported working capital of almost $1,000,000 or 20 cents a share at the end of 1940. As new capital expenditures have not been large, and dividends have been reduced apparently to keep them in line with earnings, it appears the financial position has been maintained.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	5,000,000 sh.	$1

Price Range

	High	Low
1941	$0.95	$0.55
1940	1.42	0.75

Northern Canada

Holding of 565,000 shares of Kirkland Lake Gold Mining Co. remains the chief asset of Northern Canada Mines. Exploration parties have been kept in the field; participation with others in exploration has been undertaken but so far a new property warranting production plans has not been disclosed.

Several irons are in the fire that appear interesting. An interest is held in Laguerre Gold Mines exploring underground an ore body indicated in surface drilling.

Dividend income from Kirkland Lake and other shareholdings allows a fair net profit each year after writing off exploration expenses. Net profit for the year ended Sept. 30, 1941, was 7.2 cents a share, compared with 6.2 cents the year before. Net current assets of $621,466 at Sept. 30, 1941, were equal to 64 cents a share, taking investments at market value.

Capitalization

	Author.	Outstand.	Par
Com.	1,500,000 sh.	1,000,000 sh.	n.p.v.

Price Range

	High	Low
1941	$0.50	$0.05
1940	0.62	0.30

Nipissing

Nipissing Mining Co. remains one of the strongest holding companies in Canada financially. On Nov. 22, 1941, cash in bank, government, rail and corporate bonds, other investments and value of ores on hand totalled $2,093,105. In the portfolio were 1,441,961 shares of Beattie Gold Mines carried at $334,344. Market value of these shares on Nov. 9, 1941, was $1,485,220. Total net current assets as at Nov. 22, 1941, were $2,428,249.

Earnings in 1940 were $181,347, or 15.1 cents a share. On a consolidated basis, earnings were about 20 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	1,200,000 sh.	1,200,000 sh.	$5

Price Range

	High	Low
1941	$1.35	$1.00
1940	1.45	0.85

Castle-Trethewey

Chief interest in Castle-Trethewey Mines remains its extensive portfolio. Taking securities at market values, working capital amounted to $2,495,822 as at Mar. 31, 1941. This was exclusive of the holding of 2,460,000 shares of Omega Gold Mines and advances of $275,000 to the same company

Earnings for the year ended Mar. 31, 1941, were 4.3 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,709,002 sh.	$1

Price Range

	High	Low
1941	$0.60	$0.45
1940	0.75	0.55

Bobjo Mines

Bobjo Mines can claim a real contribution to Canada's war effort through the part it has played in development of a new magnesium recovery process from dolomite. Bobjo participated in financing Dominion Magnesium Co. and the Dominion government has agreed to spend $3 millions on a plant which will use the new process for recovery of magnesium, located near Renfrew, Ontario.

The portfolio includes 311,816 shares of God's Lake Gold, 486,875 shares of Sand River, 500 shares of Noranda, 300 shares of Dome, 29,500 shares of Paymaster, 12,800 shares of San Antonio and miscellaneous other dividend-paying stocks.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,186,802 sh.	$1

Price Range

	High	Low
1941	$0.11	$0.05⅝
1940	0.11½	0.03½

Conwest Exploration

Conwest Exploration Co. continues a search for properties that show production possibilities. Already two successes, Willow Creek Mines and Mount Zeballos Gold Mines have been scored. While both have reached the dividend-paying stage, ore resources are becoming exhausted at Mount Zeballos and liquidation is understood to be planned.

In 1940, profit was $59,339. Net current assets amounted to approximately $62,000 at the end of 1940.

Exploration has been carried on at the Hunter Basin property in the Smithers mining area, British Columbia

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,250,007 sh.	n.p.v.

Transcontinental

Discovery, financing and development of natural resources is the field in which Transcontinental Resources is interested. Through Transcontinental Timber Co., large pulpwood and timber areas are now under development. An interest of 375,000 shares is held in Steep Rock Iron Mines while a substantial interest is also held in Bonneville Ltd., interested in production of potash from the salt flats in Utah, U.S.A.

In addition to its common stock issue, Transcontinental Resources has outstanding a $600,000 5% bond issue due August 20, 1950.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	2,827,007 sh.	n.p.v.

Price Range

	High	Low
1941	$0.50	$0.20
1940	0.46	0.33

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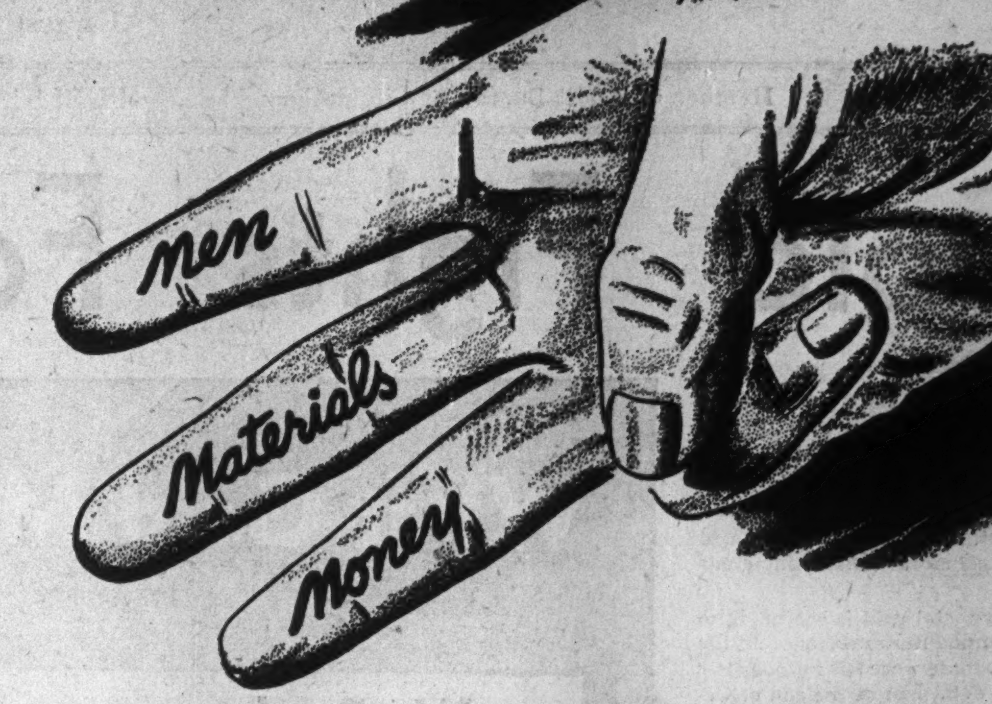

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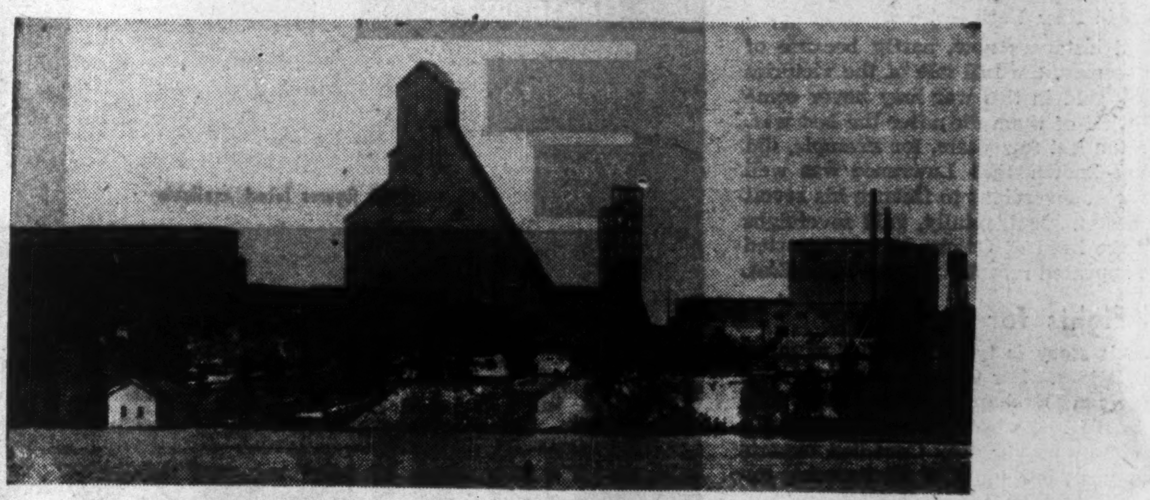

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Malartic Unfolds Ore Riches

"Gold Fields" West Ore Bodies Brings New Activity

When you are talking about good gold prospecting ground Malartic stands out. The great Malartic greenstone belt is proving one of the most prolific sources of ore bodies this country has ever seen.

In The Financial Post National Mining Number for 1941 it was stated a tremendous area of "hot ground" remained unexplored in the great greenstone band of the Malartic camp — ground which might prove very productive of ore bodies.

Results of work the past year have more than confirmed this view. Diamond drilling to the west of its main workings, Malartic Gold Fields has indicated by surface holes a tremendous tonnage of gold ore with an indicated grade much richer than the average of the camp.

Ore findings at Malartic Gold Fields have brought renewed exploration on many surrounding properties—and those to the east. It is believed that a parallel north "break" has been found by Marbenor Malartic and testing of diorite formation for further possible ore bodies continues.

Malartic's early sensation—East Malartic Mines—experienced growing pains in 1941 due to difficulties encountered in managing production. Exploration at depth, however, has revealed even more important ore results than secured on upper horizons. East Malartic has shown that ore potentialities do not weaken at depth in Malartic

Early this year National Malartic cut its north ore zone on two levels and the likelihood is suggested that National may develop a higher grade ore shoot to supplement the large tonnage of lower grade ore.

While mine-making has been going on in the Malartic area on an extensive scale for some years, favorable ground has by no means been tested. Great stretches of greenstone band still remain undrilled on each of the producers East Malartic, Sladen Malartic and Malartic Gold Fields. Next spring a programme of drill exploration is planned for the Rand Malartic property

East Malartic

East Malartic Mines in 1941 was a good example of how even a big mining company can suffer from "growing pains." Earnings for the year were only around 15 cents a share compared with 39 cents a share in 1940. But in spite of this severe drop in earnings, new developments may have been favorable on balance during the year.

While excessive dilution of ore resulted in a severe drop in mill grade and total recovery —and hence profits—in 1941, diamond drill exploration and opening up the mine both laterally and at depth returned impressive new ore showings. An early upturn in the average grade of ore milled is suggested. Drilling and drifting on six new levels down to the 1,570-ft. horizon has been outlining impressive tonnages of ore and on the two bottom levels particularly, higher than average grade ore has been exposed which could have an important effect on mill heads. To the east on the 1,570-ft. level, for instance, one length of 400 ft. east from the shaft crosscut shows an average grade of $9 a ton across an average width of 60 ft. This section alone would run 2,000 tons of ore to the vertical foot.

Out 1,500 ft. east of the shaft on the third level, a new ore structure has been indicated for a length of 400 ft. with more than 1,000 tons of ore calculated per vertical foot estimated to grade over $9.50 a ton. Exploration of this ore body on the levels immediately above and below is projected. A drift will also be put out on the 1,570 ft. horizon. To the west a structure along the faulted zone is of important significance to the future potentialities of the mine.

Commencing in the second quarter an upward trend in mill heads is anticipated by the management with grade running $6 a ton or better. Average recovery in the fourth quarter of 1941 was only $5.06 a ton; this was due to inclusion of much lower grade clean-up material.

From the standpoint of indicated ore, further expansion is justified at East Malartic. However, ore bodies must be extensively prepared for mining and until this has been done, it is not likely an increase in milling capacity will be placed in effect.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	4,000,000 sh.	$1

Price Range

	High	Low
1941	$2.95	$1.91
1940	4.10	1.95

Malartic Gold Fields

The most outstanding single development in the Malartic area in 1941 was discovery of impressive ore bodies to the west at Malartic Gold Fields. Starting 2,200 ft. west of No. 1 shaft these ore bodies occur as a parallel series of mineralized diorite dykes with a length of 1,300 ft. and contained in a north-south width of 300 ft.

The drilling to outline these ore bodies was carried on to a vertical depth of 450 ft. Altogether 5,500 to 6,000 tons of ore was indicated to the vertical foot averaging .30 oz. gold per ton or approximately $11.55 per ton at the current price of gold.

Located in a new area, it is going to take a little time for the new ore bodies to make themselves felt in the company's operations. The management is rapidly working toward the point, however, where ore from the new area will be available for mill feed. Expansion from 700 to 1,000 tons daily in mill capacity is being completed. This by no means completes the management's plans as far as expansion goes if war doesn't interfere.

A mill rate of 1,000 tons a day was predicated on ore outlined in the original working. An independent authority states that an increase in mill capacity to 2,000 tons daily is warranted—if west drilling indications stand up—and that the company might realize an operating profit of $3.6 millions a year with an average recovery of $9.

To open up the west ore bodies, a second shaft is being sunk. It is expected that sinking will have been sufficiently advanced to permit development on two levels in the second quarter of this year. Continuous development is planned while sinking progresses. The new shaft should be completed to 1,250 ft. depth before the end of the year.

In the second quarter of this year, ore from west ore bodies development headings may be available for milling. This ore could be well above mine average, affecting output and profits. Operating profits in 1941 totalled $754,897, compared with $646,855 in 1940 when the company earned 11 cents per share.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	4,000,000 sh.	$1

Price Range

	High	Low
1941	$2.97	$0.87
1940	1.45	0.54

Sladen Malartic

A progressive upward trend in operating profits was realized by Sladen Malartic Mines in 1941 which allowed the company to show working capital of $254,476 (before taxes) at the end of 1941.

Prospects for opening up a large tonnage of better than average grade ore appear brighter at Sladen Malartic than at any time the past year. At the 950-ft. level, the "telluride" ore body had been opened up in two sections. The west ore body shows a length of 352 ft., averaging $4.67 a ton across 27 ft., while the east end shows a length of 200 ft. with better widths and similar grade. A series of diamond drill intersections at 1,175-ft. horizon indicate a total length of 700 to 800 ft. with improved grade. The No. 2 shaft is being continued to 1,750-ft. depth to establish five new levels at 150-ft. intervals. As the new "east" ore body is opened up for stoping on the 950-ft. and lower levels, in the latter half of the year, higher operating profit is quite possible due to milling a better grade of ore. Possibilities of the "east" ore body at depth are reported promising. Geology suggests an extension of ore bodies to the west as depth is reached. With persistence of the progressive improvement in grade and tonnage to depth, it is possible the company's situation may be improved materially.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,499,021 sh.	$1

Price Range

	High	Low
1941	$0.46	$0.17
1940	0.61	0.20

Canadian Malartic

Mill capacity was stepped up from 750 to 1,000 tons daily at Canadian Malartic Gold Mines on Oct. 8, 1941. Officials anticipate increased production will at least offset effects of higher operating costs including the cost-of-living bonus and taxes. Operating profits in 1941 were probably slightly less than those in 1940 when the company earned 5 cents a share. Dividends continue to be maintained at the rate of 8 cents a share per annum, payable quarterly.

A large part of work in 1941 involved development and opening up of ore indicated by diamond drilling during the preceding year. Indications would suggest that the ore reserve figure of 1,704,500 tons reported at the end of 1940 was maintained in the past year.

Placing a ceiling on prices means a great deal to an operation such as Canadian Malartic which works on a narrow margin of profit.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	3,651,355 sh.	n.p.v.

Price Range

	High	Low
1941	$0.63	$0.44
1940	0.85	0.32

National Malartic

Early this year, National Malartic Gold Mines cut high grade ore in its north ore zone on the 500 and 700-ft. horizons. This zone has an indicated length of 700 ft. from surface drilling with many of drilling intersections running high grade and ore widths indicated sometimes exceeding 30 ft.

If the north zone stands up under development, it will probably prove an important sweetener for the rather large tonnage of medium to low grade ore indicated on the company's south ore zone just north of Sladen.

With Noranda and Hollinger entering the financing picture in 1941, it is reasonable to believe that financing of mill construction will not prevent a serious problem. If it should be decided that erection of a large tonnage mill might present difficulties, the possibility exists that a small mill might be erected to treat a relatively high grade of ore from the north ore zone.

Now that the company has its own shaft sunk, development can be carried out at a relatively rapid pace and much interesting ore news may be unfolded in coming months.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,300,000 sh.	$1

Other Companies

West Malartic Mines is erecting a mill of 300 tons capacity and will likely be Malartic's next gold producer.

At the east end of the Malartic area, Dubuisson continues an extensive programme of diamond drilling with a large sum of money in its treasury.

Marbenor Malartic to the north and west is also carrying out diamond drilling. Several interesting ore intersections have been made.

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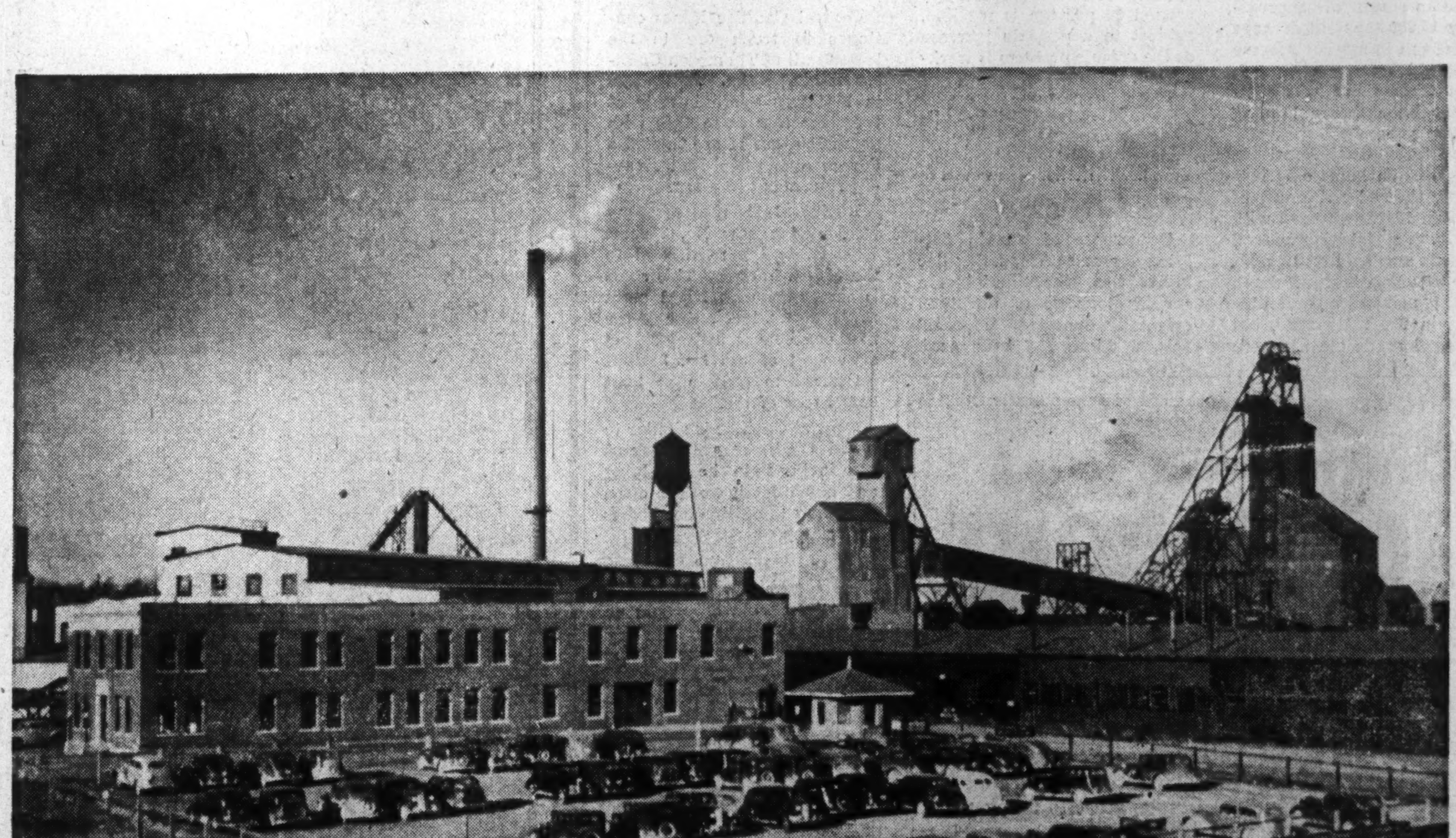

Surface Plant of Lake Shore Mines, Limited, Kirkland Lake, Ontario.

Manitoba Mines Prove Bulwark to Province

Base Metals Expand to Meet Huge War Requirements

While individual mining companies have faced numerous war-time difficulties, Manitoba's mining still remains an outstanding stabilizing factor in the province's economy.

Expansion in peacetime always involves problems. In wartime these problems are multiplied many times. There is the problem of an adequate skilled labor supply; of securing equipment; of adequate power supply.

A large influx of labor from farming areas has taken place, replacing men who have joined up. While unskilled, this new labor has shown a real aptitude for mining.

Much of the expansion in Manitoba's mining industry was completed before equipment deliveries became really difficult and delays due to slow equipment deliveries have not been so important in Manitoba.

The big metallurgical plants of Hudson Bay and Sherritt-Gordon use tremendous amounts of hydro power; and a steady expansion of water power development has been necessary.

Prospecting for special war metals such as manganese, tungsten and beryllium is being stressed in Manitoba. Several occurrences of these and other metals have been reported. It appears the province is good prospecting ground for strategic minerals.

Hudson Bay

Approximately 6,000 tons of copper-zinc-gold ore is going through the plant of Hudson Bay Mining and Smelting Co. each day. This compares with a pre-war rate of 4,500 tons daily.

This expansion reflects Hudson Bay disclosure of ore extending to depth with excellent values.

Earnings have been moving upward, reflecting higher production. The Excess Profits Tax skims off much of the extra profit. Earnings for the nine months ended Sept. 30, 1941, totalled $1.79 a share compared with $1.49 a share the same period of 1940.

Although both copper and zinc are being sold at the low United Kingdom contract prices, profits in 1941 were approaching those of the record year of 1937 when $2.72 a share was earned.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,757,973 sh.	n.p.v.

Price Range

	High	Low
1941	$30.50	$23.50
1940	34.00	19.87

Sherritt-Gordon

Production of zinc is to be undertaken at Sherritt Gordon Mines to supply some 50 million pounds of zinc to the Metals Reserve Co., the United States buying agency, over a two-year period.

The mill is currently treating around 2,000 tons of ore daily, compared with an average of 1,750 tons in 1940. Returns from metal sales were consistently higher in 1941 than in 1940 and operating profits also showed a steady increase.

Drilling to depth and to the west on rake have shown a considerable diminution in values, but ore reserves are believed still to be close to eight years' mill requirements.

Capitalization

	Author.	Outstand.	Par
Com.	6,000,000 sh.	5,874,432 sh.	$1

Price Range

	High	Low
1941	$1.15	$0.62
1940	1.18	0.50

San Antonio

Extensive ore resources continue to unfold at San Antonio Gold Mines where ore reserves are approaching the million ton mark. Manitoba's premier gold mining enterprise has opened up excellent ore on its bottom or 2,400-ft. level, and diamond drilling at 150 to [illegible]00 ft. below that level has also been returning good widths and values.

Mill expansion from 325 to 525 tons daily was completed last October. While it is understood profits showed an increase in 1941, it would seem likely an even more substantial increase will be realized this year. Earnings in 1940 totalled 20 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	2,393,013 sh.	$1

Price Range

	High	Low
1941	$2.65	$1.90
1940	2.85	1.25

God's Lake

Sinking of the new No. 2 shaft at God's Lake Gold Mines was completed to its objective of 1,850 ft. last May. Since then, a programme of lateral work has been started in this western area approximately one mile west of the original shaft. The new shaft was put down to allow opening up of ore bodies on their westerly rake. First development has not been successful in disclosing ore bodies, it is understood, and further exploration is being done.

It will be recalled that once previously God's Lake Gold Mines found difficulty in picking up its ore at depth. History may repeat itself again and further exploration—and further geological study—may reveal the ore taking some new trend.

Production showed an increase in the first nine months of 1941 to $625,109, compared with $611,141 in the corresponding period of 1940. Operating profit showed a decline of approximately $78,000 to $125,607 due to increased operating costs.

Ore reserves at the end of 1940 were approximately two years' milling requirements.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,500,000 sh.	n.p.v.

Price Range

	High	Low
1941	$0.41	$0.17
1940	0.69	0.25

Gunnar Gold

During 1941 Gunnar Gold Mines embarked on a large scale programme of outside exploration. This programme has been accelerated since results at the company's own mine have been below average and ore reserves have not been maintained. In fact, reduction in earnings is anticipated unless the ore position shows a marked improvement. No dividend was paid the last half of 1941.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,704,131 sh.	$1

Price Range

	High	Low
1941	$0.37	$0.10

Cadillac Finding Ore Bodies At Ends of Great Ore Zone

Excitement was greater at both extreme ends of the Cadillac camp in 1941 than in the producing sector proper.

Out to the west in Bousquet Township, Mic Mac Mines—financed by United States Smelting and Refining Co.—decided to erect a 500-ton mill. Far to the east where formation bends southward to become the famous Malartic greenstone band, West Malartic Mines encountered success in underground work and erection of a 300-ton mill is in progress.

Turning to the main producing sector, O'Brien Gold Mines met with encouraging ore developments at depth. Lapa Cadillac Gold Mines was given a new lease of life by opening a new north ore zone with higher than average grade ore.

O'Brien

Reflecting a slight further reduction in production, earnings of O'Brien Gold Mines showed a recession to 8.4 cents a share in the year ended Sept. 30, 1941, against 10.1 cents. While work at depth has been showing consistently high percentage of drifting in ore, the spectacular ore found in the No. 4 vein from the 400 to the 1,250-ft. level has not been repeated.

Chief exploratory work now is on the block of four new levels established off the No. 4 internal shaft at 2,125, 2,250, 2,375 and 2,500 ft. depth.

During the course of the 1941 fiscal year, ore reserves showed a drop of approximately 15,000 tons but average grade of ore in reserve became slightly higher. On Oct. 1, 1941, sufficient ore was indicated to keep the mill going over two years.

Cline Lake Gold Mines, in which O'Brien holds a 71.18% interest, showed net profit of $64,409 in 1940, compared with $221,170. An initial dividend of 4 cents was paid on Dec. 20, 1941. Development at depth has not met with favorable results in the main zone. but some good grade ore has been opened above the 4th level in the west zone.

Turning to the parent company again, O'Brien, on Sept. 30, 1941, showed net current assets of $808,653, or well over 20 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	3,250,000 sh.	$1

Price Range

	High	Low
1941	$1.88	$0.56
1940	1.81	0.50

Lapa Cadillac

Higher grade ore from the new north ore zone at Lapa Cadillac Gold Mines resulted in practically doubling mill heads over a period of six months the latter part of 1941. While arsenic in ore from the north ore zones has prevented recovery from approaching mill heads, new ore has been sufficiently high grade to allow a substantial improvement in operating profits.

Late in 1941, development in the No. 24 ore body of the north zone on the first level showed a length of 240 ft. or twice as much as on the second level where the ore was first opened up. No. 23 ore body in the same area has been more erratic but good grade.

From limited work carried out, a total of 275 tons of ore per vertical foot is estimated by work the second level in the north zone. If subsequent development on the other levels in the mine is comparable, resulting tonnage will be in excess of 150,000 tons—enough ore for two years' milling at the present 200-ton rate.

With recovery of 75%, it appears that extraction of around $6 per ton is possible, subject to a possible increase as the arsenic problem is worked out.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	3,974,375 sh.	$1

Price Range

	High	Low
1941	$0.15	$0.06⅞
1940	0.22½	0.05

Wood Cadillac

Occurrence of ore in flat-lying lenses at Wood Cadillac Mines has meant mining a smaller tonnage of ore than originally expected. To offset this, a winze has been sunk from the 500-ft. horizon to the 1,000-ft. level to allow opening the mine at greater depth. Ore has been found over a large area at Wood Cadillac and a considerable length of time will be required to prospect ground thoroughly.

Construction of the company's 225-ton mill was financed by Mill Builders and something over $200,000 is at present owing. With results lower than expectations, Mill Builders agreed to advance $25,000 to allow sinking the winze.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	4,000,000 sh.	$1

Price Range

	High	Low
1941	$0.09	$0.03½
1940	0.30	0.08

Pandora Cadillac

Outlook for Pandora Cadillac Gold Mines late in 1941 showed some improvement after some disappointment earlier in the year.

Authorized capital was increased by a million shares as more extensive development of known occurrences was desirable to improve the company's ore position.

Best results recently have been secured in the No. 3 shaft area while considerable progress has been made at the No. 2 shaft solving faulting problems.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	3,570,007 sh.	$1

Price Range

	High	Low
1941	$0.08	$0.03
1940	0.10¾	0.02¼

Central Cadillac

Central Cadillac Mines continues to truck ore to the leased mill of Thompson Cadillac Mining Corp. Production in 1941 was approximately at the same rate as in 1940 with about 150 tons of ore treated a day in each year. Mill recovery runs about $6 a ton.

During 1941 the company completed a new No. 3 shaft 1,300 ft. to the north east to the 575-ft. horizon. This shaft is connected with No. 1 shaft at the 200-ft. level. One of the best ore bets is a drag-folded area west of the No. 3 shaft estimated to contain at least 60,000 tons of ore.

Central Cadillac is similar to Wood Cadillac in that veins are inclined to be flat-lying and much detail work is often necessary to outline ore bodies for mining.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	2,996,010 sh.	$1

Mic-Mac Mines

Construction of the 500-ton concentration mill of Mic-Mac Mines was started latter part of 1941. It appears likely that the company will be one of the largest of the new gold producers of 1942.

Situated in Bousquet twp., Mic-Mac is a much larger tonnage proposition than any mine in the Cadillac area proper. It is on the same break which extends down from Rouyn to Cadillac and then on to Malartic and Siscoe.

Before the decision was made to erect a mill, extensive underground work was carried out. The main shaft is down to a depth of 1,218 ft. with levels at 285, 455, 740 and 1,050 ft. Openings of levels at 740 and 1,050 ft. was underway the latter part of 1941.

Capitalization

	Author.	Outstand.	Par
Pref.	10,000 sh.	7,850 sh.	$100
Com.	3,000,000 sh.	3,000,000 sh.	$1

On the
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in the performance of its normal function — the mining and recovery of gold — this Company, in common with other Canadian Gold Mines, is assisting importantly in the maintenance of the Dominion's domestic economy by increasing the national wealth and providing direct and indirect employment to many people.

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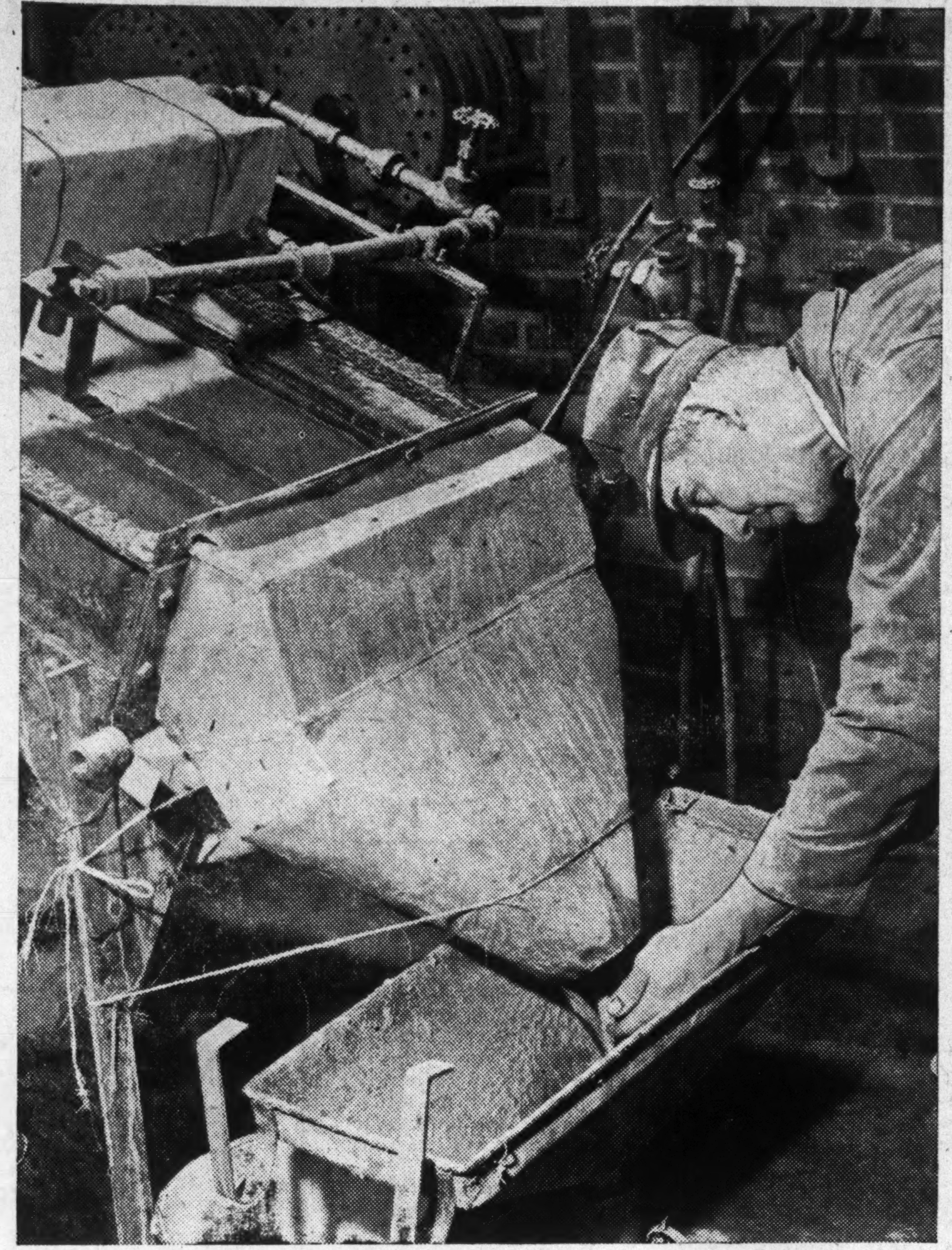
B. C.'s Golds Big Factor in War Metals Search

Bralorne, Leading Producer, Finds Tungsten at Home, Seeks It Too in Yukon



A workman examines refined tungsten at the small but important Ottawa Bureau of Mines refinery.

British Columbia gold mining shows few visible effects due directly to the war. Generally speaking, mines have anticipated as far as possible, wartime contingencies and prepared for them. Difficulties may tend to increase in the future, however, it is feared.

Besides their important wartime job of financing Canadian purchases in the United States, British Columbia's gold mines have taken on a new job—opening up and producing metals strategic to the war effort. With Japan's entry into the war, efforts of gold mines in this direction are of even greater significance.

Search for further deposits of strategic minerals has largely replaced prospecting for new gold deposits and government departments have been active in directing the new activity.

Bralorne Mines

While production of Bralorne Mines in 1941 at $3.9 millions was practically the same as in the previous year, it appears earnings were somewhat below the $1.22 a share earned in 1940 due to increased costs, particularly taxes. However, after meeting the current dividend rate of $1.20 a share, it is possible that working capital was increased beyond the $1.40 a share of the previous year as operating profits exceed net profits by a considerable margin.

Bralorne has been investigating deposits of strategic minerals, and men were recently sent into the Canadian Tungsten property in the Yukon. Besides its own mine, Bralorne has achieved profitable production at Summit King Mines in Nevada, and Buccaneer Mines, on Vancouver Island, was placed in production last year.

Development at Bralorne in 1941 continued satisfactory, the company reports. Work is being concentrated on opening up a block of new levels between the 14th and 20th.

Ore reserves were a new high at 815,000 tons of 0.49 oz. grade at the end of 1940, sufficient for well over four years' milling.

Capitalization

	Author.	Outstand.	Par
Com.	1,250,000 sh.	1,247,000 sh.	n.p.v.

Price Range

	High	Low
1941	$11.62	$9.10
1940	11.00	7.40

Pioneer of B.C.

Production from Pioneer Gold Mines of B.C. in the fiscal year ended March 31, 1942, may not be far from the $2 millions turned out in the preceding fiscal year from 105,875 tons of ore milled. Even with the same production, however, earnings will probably be narrowly lower than the 41 cents for the 1941 period due to generally higher operating costs and taxes.

For several years, ore reserves have been gradually decreasing. At March 31, 1941, the company still had 3½ years' ore on hand. Working capital is probably close to $1 a share at present.

With Anglo-Huronian, Pioneer Gold Mines put Musketeer Gold Mines in production in December. Mill capacity is 25 tons a day.

Pioneer continues on the lookout for new mining properties of merit—both in western and eastern Canada. Several have been investigated recently.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	1,751,750 sh.	$1

Price Range

	High	Low
1941	$2.55	$1.90
1940	2.45	1.45

Cariboo Gold Quartz

Earnings of Cariboo Gold Quartz Mining Co. in the year ended Jan. 31, 1942, are understood to have shown little change from the 27.1 cents a share reported the previous fiscal year.

Earnings for the nine months ended Oct. 31, 1941, amounted to 19 cents a share.

At January 31, 1941, ore reserves at 435,456 tons were sufficient for over three years' milling. Managing Director, Randall R. Rose, reports that development results in the main ore area were satisfactory.

Sinking of the B.C. shaft has reached its objective of 1,500 ft. and exploration is getting under way in this area of the B.C. vein. A fault has been found in working this vein on the 15-main level, but the vein is still regarded as potentially important for development of new ore.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,333,309 sh.	$1

Price Range

	High	Low
1941	$2.91	$1.60
1940	2.67	1.65

Sheep Creek

An important contribution to the war effort has been made by Sheep Creek Gold Mines aside from its production of gold. In its subsidiary, Zincton Mines, the company has developed an important producer of zinc concentrates which are shipped to the U. S. under contract.

With recent increases in the price of zinc in the United States, it is possible that Zincton may yet become an important adjunct to the Sheep Creek profits. Increasing its production rate, the company earned 10.8 cents a share in the six months ended Nov. 30, 1941, compared with 8.8 cents a share the corresponding period of the previous year. With earnings running at a higher level, the company continues to pay extra dividends of 1 cent a share along with the usual quarterly disbursement of 4 cents a share.

Ore reserves May 31, 1941, were sufficient for over two years' milling.

During 1941, the company acquired new claims adjoining its original property and possibilities appear encouraging. Lack of enough technical help has hampered making as many examinations as desired.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,875,000 sh.	50c

Price Range

	High	Low
1941	$1.00	$0.73
1940	1.24	0.80

Island Mountain

Production at Island Mountain Mines Co. in 1941 was a new record at $955,506, compared with the previous record of $808,090 in 1940. Operating profits total $331,562 for the nine months ended Sept. 30, 1941, compared with $234,062 the same period as 1940.

Dividend distributions have been gradually increasing, 10 cents a share being paid Dec. 15, 1941. This compares with 8 cents May 15, 1941, and 7 cents on Dec. 16, 1940.

During 1941, the company acquired the adjoining Myrtle and Shamrock claims which cover the extension of the Rainbow and B.C. zones of Cariboo Gold Quartz.

Ore reserves at the end of 1940 showed little change, amounting to approximately 1¼ years' requirements. The high level of production in 1941 rather suggests that ore from development made good mill feed. Average recovery for the year was $17.56 a ton.

Working capital at the end of 1940 was approximately 35 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	1,100,000 sh.	1,050,716 sh.	50c

Price Range

	High	Low
1941	$1.30	$0.85
1940	1.09	0.65

Gold Belt

Earnings of Gold Belt Mining Co. in the year which ends March 31, 1942, will probably be close to the $59,232 of the 1941 fiscal year as production has been at somewhat higher rate. One dividend of two cents a share was paid May 15, 1941, against similar dividends in June and December, 1940.

Working capital March 31, 1941, was $252,026, about 10 cents a share.

Ore reserves at the end of the 1940-41 fiscal year were about two-thirds of a year's supply. At that time, however, the company's consulting engineer, Mr. Robert Livermore, stated that ore remains to be mined some 700 ft., vertical distance to the 600-ft. level from the productive stopes on three veins, the 2,360, 3,040 and 3,500. He said also eventual production would be several times the estimated reserve.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,550,000 sh.	50c

Price Range

	High	Low
1941	$0.29	$0.21½
1940	0.30	0.20

Kootenay Belle

In spite of a broad programme of exploration, Kootenay Belle Gold Mines has failed to disclose important new sources of ore. This resulted in a decline in production in 1941 to $375,727, and it appears likely that an even greater loss than the $29,100 of the fiscal year ended Feb. 28, 1941, will be experienced. Exploration is continuing. Working capital Feb. 28, 1941, was $232,334, or 30 cents a share. Since then, dividends totalling 6 cents a share have been paid.

Capitalization

	Author.	Outstand.	Par
Com.	750,000 sh.	675,200 sh.	50c

Price Range

	High	Low
1941	$0.28	$0.19½
1940	0.85	0.23

Hedley Mascot

Earnings of Hedley Mascot Gold Mines in the nine months ended Sept. 30, 1941, were 9 cents a share before depreciation and depletion compared with 11.5 cents a share for 1940. After all charges, 1940 earnings were equal to 8 cents a share. Dividends continue at 8 cents a share per annum.

In the 1940 annual report it was stated safe to estimate present production could be maintained for three or four years. Some lower grade ore is being milled and exploration is being carried on in new areas.

Working capital of $247,193 at the end of 1940 was equal to 11 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,264,130 sh.	$1

Price Range

	High	Low
1941	$0.50	$0.45
1940	0.54½	0.40

Privateer

To allow treatment of lower grade ore which will show a

(Continued on page 22)

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(NON-PERSONAL LIABILITY)

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Authorized Capital: 2,000,000 Shares of a Par Value of 50 Cents each.

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A. H. DOUGLAS - - - - Director

A. E. JUKES - - - - - - Director

J. R. PYPER - - - - - - Director

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MINING IN WAR-TIME

Directors of Sheep Creek Gold Mines Ltd. deem it a duty at this time not only to make as large a contribution as possible to Canada's production of gold, but to continue judiciously the search for possible new production.

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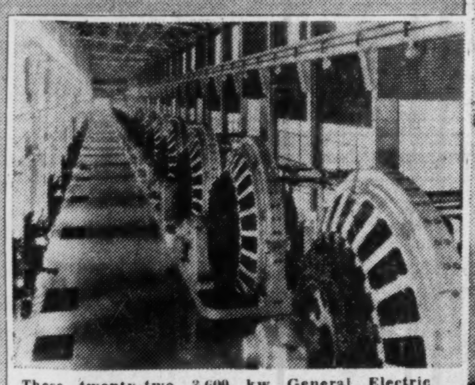
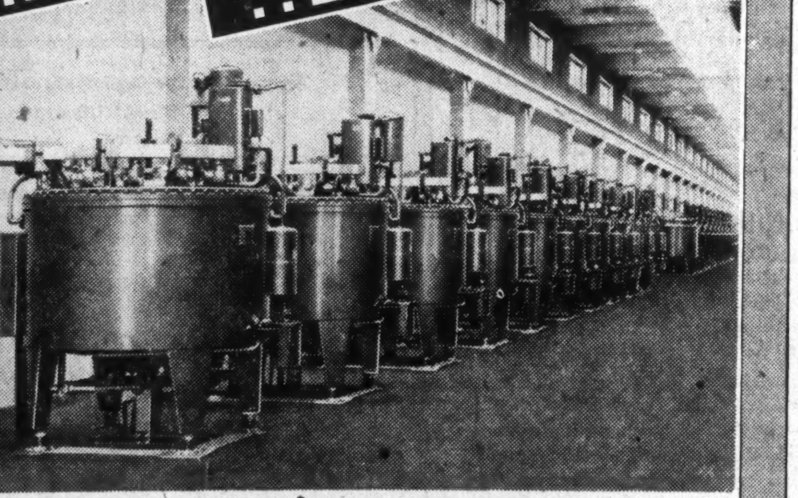


These twenty-two 3,600 kw General Electric synchronous converters furnish direct-current for electrolytic production.



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In this war of machines **and metals,** mining and metallurgy are playing a vitally important part. Fortunately, Canada is a land rich both in mineral deposits and in the hydro power needed for their production and refining. Today, 1/6th of Canada's electrical output is being used by copper, zinc and aluminum mining and metallurgical operations. And today, vast quantities of the equipment needed for the harnessing of electrical power —and for its use in the electrolytic production of essential war metals—is manufactured by Canadian General Electric.

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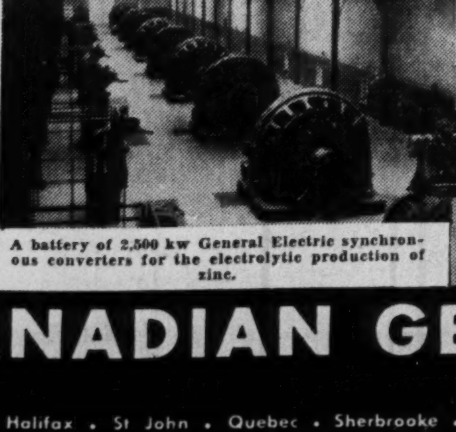

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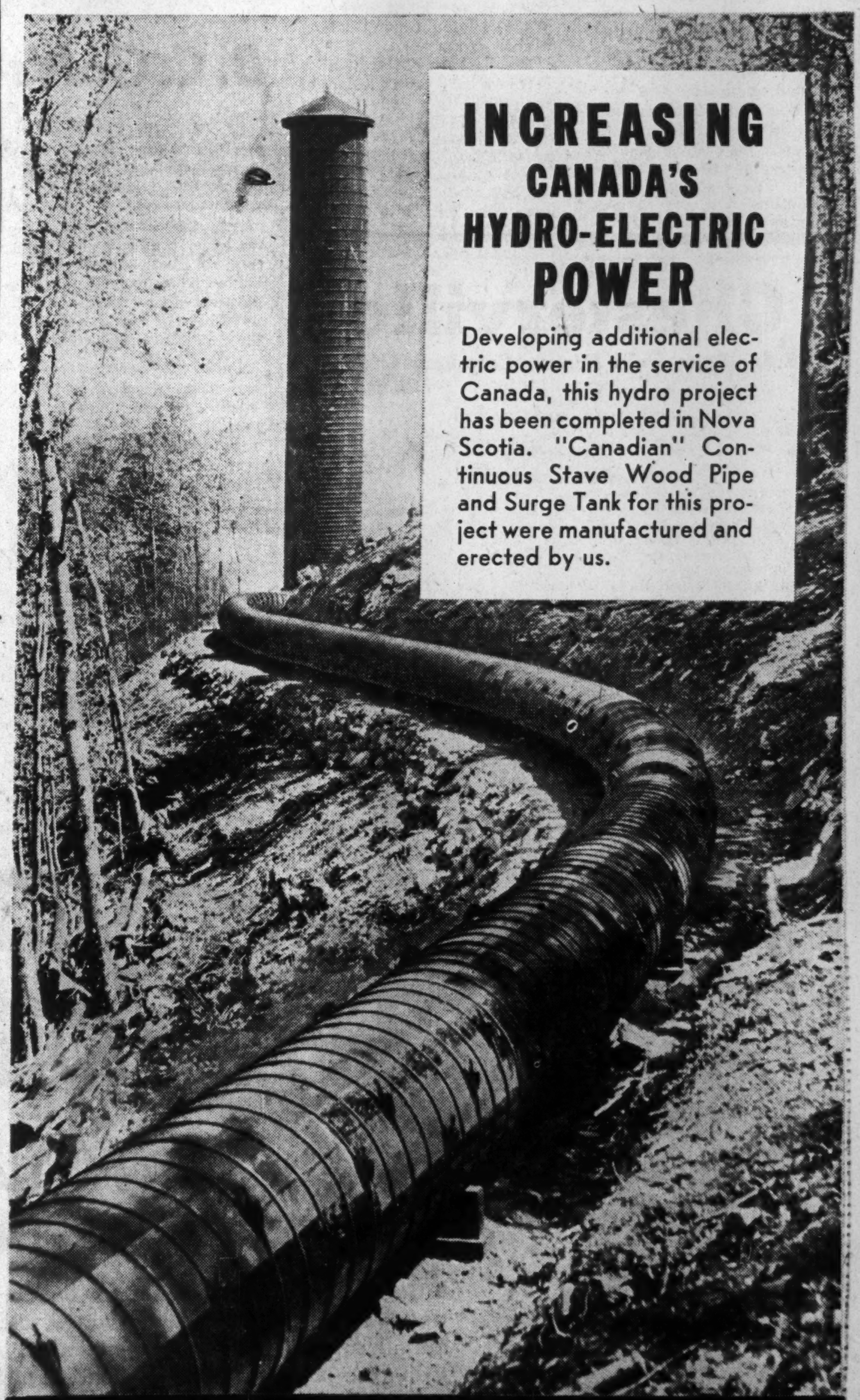

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Rouyn, Spurred by War, Works at Capacity

Increased Output in Prospect for Current Year, Indications Suggest

As well as being Quebec's largest mining camp, Rouyn might be termed Quebec's most versatile mining area.

Ore bodies occur under very different conditions — and the camp turns out a variety of mineral products, ranging from gold down to copper and iron pyrites.

With the copper, zinc and iron pyrites turned out by the Noranda-Waite Amulet combination, the area also might be termed Quebec's most strategic mining camp. Base metals are in tremendous demand and Noranda and Waite are straining every effort to turn out all the metal possible.

Exploration in the Rouyn area has not been extensive the last two years but recent work has perhaps been more intelligent. For instance, a private company Horne Fault Mines—financed by the Lindsley interests—has been examining the western extension of the Horne or Noranda fault by a combined geological and geophysical survey. Lake Dufault Mines continues to diamond drill in the search for yet another copper-zinc deposit and some interesting mineralization is stated to have been cut. It will be recalled that Lake Dufault was responsible for the discovery of the great Waite Amulet ore deposit.

Base metal production statistics are wartime secrets but indications suggest that 1942 will set a new all-time record for Rouyn's production.

Noranda

Daily tonnage milled showed an increase the first nine months of 1941 at Noranda Mines and production for the year was probably a record. Reflecting the high level of production and the very substantial revenue pouring in from the company's highly profitable investments, Noranda earnings are running better today than a year ago in spite of increased costs and stepped up taxes.

Major contribution is being made to the war effort. Large tonnages are being sold to Britain at relatively low fixed prices which means tremendous saving.

Noranda has also been playing an important part in development of other base metal operations in Quebec.

Treatment of concentrates has been very helpful to Waite Amulet, Aldermac and Normetal. Refining capacity of Canadian Copper Refiners — controlled by Noranda — has been increased substantially since the outbreak of war to allow handling output of other mines.

An important development in 1941 was acquisition of large blocks of shares in Kerr-Addison Gold Mines and Proprietary Mines, the latter a substantial Kerr-Addison shareholder. Kerr-Addison has disclosed itself as a major gold mine in Canada's northland. The Noranda management has recognized this fact by acquiring a substantial share equity.

Down in Central America, Noranda's two mines, Cia Minera La India and Empresa Minera, are understood to be doing well. Noranda is also developing National Malartic Gold Mines in conjunction with Hollinger.

Capitalization

	Author.	Outstand.	Par
Com.	2,250,000 sh.	2,239,772 sh.	n.p.v.

Price Range

	High	Low
1941	$57.75	$45.50
1940	78.50	43.00

Waite-Amulet

Expansion at Waite-Amulet Mines in 1941 is now proving highly profitable. At the request of the Metals Controller, the company agreed to increase capacity from 1,200 to 1,500 tons a day to allow treatment of an additional 300 tons of zinc ore. Zinc supplies have been insufficient to meet war requirements.

Since production of the extra concentrates has been commenced, the price of zinc has increased appreciably in the United States where the concentrates are being sold and Waite-Amulet is now making a good profit.

Despite tax uncertainties earnings have been substantial with 40 cents a share paid in dividends in 1941.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,300,000 sh.	n.p.v.

Price Range

	High	Low
1941	$5.15	$3.10
1940	6.05	2.70

During 1941 Noranda's Waite-Amulet enterprise stepped up capacity by 300 tons to treat zinc ore. No profit was expected—expansion was purely a war effort. But the price of zinc in the U. S. went up—and some profit will be realized after all.

Powell Rouyn

Indicated profit of Powell Rouyn Gold Mines for the year ended March 31, 1942, is substantially higher than last year when only 1.5 cents a share was earned, compared with 28 cents a share in the 1940 fiscal year.

Operating profits for the nine months ended Dec. 31, 1941, totalled $245,803 against only $136,594 for the full year ended Mar. 31, 1941. Working capital showed an increase to $288,402 — or over 20 cents a share—as at Dec. 31, 1941, compared with only $4,341 on Mar. 31, 1941. Practically the company's entire working capital had been eaten up by construction of the company's own 350-ton mill, but the liquid position now is nearly as strong as at any previous time in the company's history.

Work south on the 850-ft. level has been returning good lengths of ore and drifting is also being continued southerly on other levels. Exploratory diamond drilling is being done on the south part of the company's property with some encouragement. Ore reserves Mar. 31, 1941, were enough for three years.

Capitalization

	Author.	Outstand.	Par
Com.	1,500,000 sh.	1,250,000 sh.	$1

Price Range

	High	Low
1941	$1.17	$0.52½
1940	2.18	0.60

Francoeur

Profits of Francoeur Gold Mines in 1941 were probably not far from those in 1940 when the company earned 3.5 cents a share. But earnings fail to reflect the outstanding improvement which has taken place.

Ore resources of the mine have been expanded greatly and mill capacity has been augmented by addition of cyanide equipment. Indications suggest mill capacity may be boosted from 225 tons a day to 400 tons around the middle of the year by installation of a new tube mill.

During 1941 important ore disclosures took place to the west. The "west" zone, 2,300 ft. from the main shaft, has been opened up by a haulage way on the third level and important ore sections have been revealed.

Dividend of four cents a share was paid on Aug. 29, 1941.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,983,333 sh.	n.p.v.

Price Range

	High	Low
1941	$0.63	$0.32
1940	0.70	0.19

Aldermac Copper

Shipping of pyrites has become a relatively big business at Aldermac Copper Corp. with approximately 200,000 tons shipped in 1941, a new record.

This revenue has been important as Aldermac has been able to show little or no profit at the fixed price for copper received under the United Kingdom contract.

Prices for pyrite have shown some improvement over last year. Production continues at around 900 to 1,000 tons a day which allows production of around 400 tons of pyrite.

Capitalization

	Author.	Outstand.	Par
Com.	6,000,000 sh.	5,024,356 sh.	n.p.v.

Price Range

	High	Low
1941	$0.24	$0.07½
1940	0.38	0.10

Stadacona Rouyn

Hopes are growing for reorganization of Stadacona Rouyn Mines which will clarify the situation for noteholders and shareholders. Recent decisions on the litigation of notes may mean that while many notes will be disallowed, perhaps the majority may be declared valid even though over the $200,000 limit authorized for the note issue originally.

It is believed trade creditors can be paid in full, leaving the company entirely to noteholders and shareholders.

At last report a fair margin of operating profit was being realized and development at depth to maintain or possibly increase the ore reserve position was under way.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	n.p.v.

McWatters

Exploration for a new ore source is being continued at McWatters Gold Mines. No new major deposit has yet been discovered but sufficient ore continues to be found to finance further work and to provide a small margin of operating profit.

Away to the east on the 900-ft. level, one ore body has been opened up with a length of around 250 ft., averaging .23 oz. across 8 ft. Exploration in this area is being continued.

The company still has a strong financial position with working capital at the end of 1940 of $308,756.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,872,506 sh.	n.p.v.

Price Range

	High	Low
1941	$0.24	$0.10
1940	0.58	0.20

Arntfield

A new lease on life was given Arntfield Gold Mines when the company encountered improved ore conditions at depth.

Once it seemed the company would be forced to close down, but revenue from treatment of ore for Senator-Rouyn and from sale of shares allowed work to greater depth.

The company has secured new financing through a note issue (of which about $55,000 has been sold).

Development at depth on the No. 2 shaft section indicates that on all new levels ore is progressively greater in length and higher in grade, President R. V. Arntfield reports.

Possibility of developing sufficient ore for a two years' mill supply (250 tons per day) is reported.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,200,000 sh.	$1

Price Range

	High	Low
1941	$0.11	$0.03⅞
1940	0.17	0.04

Senator-Rouyn

Senator-Rouyn will go after ore at depth during 1942. Shaft is to be sunk from 875 to 1,500 ft. which will give five new levels for exploration.

At the first of 1941, the company's mine had 200,000 tons of ore grading .265 oz. outlined to the 500-ft. horizon. Proved ore at the end of 1941 was something over 160,000 tons of .26 oz. grade to the 750-ft. horizon.

It is understood 1941 earnings were around 3 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,408,333 sh.	$1

Price Range

	High	Low
1941	$0.59	$0.15
1940	0.57	0.10

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B. C. Golds on Hunt For War Metals

(Continued from page 21)

profit, Privateer has reduced its production rate to approximately $80,000 monthly from a previous rate of approximately $90,000 monthly. With the lower production rate, the company has advised shareholders not to expect the bonus payment of 1 cent a share along with the next regular quarterly dividend of 3 cents a share.

Decision to treat lower average grade of ore at Privateer results, at least in part, from opening up lower average grade ore at depth. But Privateer continues to treat one of the highest average grades of ore in Canada. Interesting new possibilities have been opened up in the Prident sector. Three levels have been opened up disclosing ore, and a crosscut has been put out to explore the Prident at greater depth. Ore news should be available shortly.

Ore reserves at Privateer have never been large compared with the tonnage milled each year. However, the company has been able to maintain a satisfactory reserve ahead of milling, and at the end of 1940, sufficient ore was on hand for over a year.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	2,454,080 sh.	n.p.v.

Price Range

	High	Low
1941	$0.63	$0.45
1940	0.94	0.37

Spud Valley

Milling rate at Spud Valley Gold Mines was doubled to 120 tons daily during 1941. This has not resulted in doubling output as the increase was designed to allow treatment of a large tonnage of lower average grade ore outlined. Grade of ore treated has dropped approximately 50% from around $21.38 a ton to between $10 and $11 a ton.

Acquisition of the North Star property resulted in a large addition to potential ore resources.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	2,325,000 sh.	$1

Reno

With mining and milling operations finally ended, Reno Gold Mines has been considering returning capital to shareholders. At a recent meeting, the necessary 75% of votes in favor of distribution was not secured, but another meeting is to be held.

A distribution of 20 cents a share — or $376,000 — is being considered. This would leave $50,000 working capital on hand, the 40% interest in profits of Central Zeballos and perhaps a further $100,000 to be secured from the sale of milling equipment and claims.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,880,000 sh.	$1

Price Range

	High	Low
1941	$0.13½	$0.10
1940	0.57	0.12

Central Zeballos

Central Zeballos Gold Mines paid the last of its Reno advances by August, 1941, and further earnings can be distributed to its owners. Reno receives 40% of net profits before depreciation and depletion under its agreement.

While Central Zeballos management never expects the company to be a large producer, and it may never be feasible to treat over 35 tons a day, a fair profit can be expected as long as development outlines the necessary ore.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	1,450,000 sh.	$1

Other Producers

Treatment of high grade ore at **Homeward Mines,** a Zeballos producer, commenced the latter part of 1941. Main workings at Homeward are at greater depth than most Zeballos operations, and consequently present drifts provide a greater depth of backs. Stopes have been opened up on two levels and further exploration work is planned.

Buccaneer Mines — financed by Bralorne — made its first shipment of bullion the latter part of September. Mill capacity is 25 tons daily. Two adits have been driven on the main vein, also a west adit on the west vein. It was reported in 1941 a substantial amount of high grade ore has been developed in narrow ore shoots.

Milling commenced at **Musketeer Mines** about the middle of December. Mill capacity is 25 tons daily. Financing and mill construction was arranged through a $100,000 bond issue, $60,000 of which was taken up by Anglo-Huronian and Pioneer. It is understood ore reserves are about 30,000 tons with an indicated grade of .40 oz. gold per ton across a mining width of 3 ft. This estimate does not include ore below the 700-ft. level.

Decreased earnings are reported for **Mount Zeballos Gold Mines** in 1941 with output of $371,573 against $567,027 of 1940. Winding up the company is understood to be planned shirtly when available ore is exhausted.

THE
Chesterville
Larder Lake Gold Mining Company Limited
(No Personal Liability)

AUTHORIZED CAPITALIZATION
2,000,000 SHARES - - - - - $1.00 PAR VALUE
Issued: 1,735,559 (of which 27,100 are held in trust for the Company)

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E. V. OAG, Toronto, Ont. - - - - - - - - Secretary-Treasurer
Dr. W. F. JAMES, Toronto, Ont. - - - - - - - - - - Director
J. G. WEIR, Toronto, Ont. - - - - - - - - - - - - Director
H. W. KNIGHT, Toronto, Ont. - - - - - - - - - - - Director
H. J. KEARNS, Detroit, Mich. - - - - - - - - - - - Director
Mine Manager—L. T. POSTLE
Cons. Geologists—W. F. JAMES and B. S. W. BUFFAM
Assistant Secretary-Treasurer—V. A. SUTTON

Solicitor
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Auditors
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A. B. MORTIMER ....Director
G. B. WEBSTER ....Director
ALAN COCKERAM ....Secretary-Treas.
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ANGLO-HURONIAN LIMITED

MINES DEVELOPED AND FINANCED

London Correspondents:
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Kirkland Lake Mines and Miners in 'Back to Normal' Drive

C. I. O. Strike Not Expected to Have Lasting Effect at Most Mines—Ore Resources Remain Immense

This is the type of work Canadian miners have been doing at Gibraltar. Here are sappers of the Canadian Engineers drilling charge holes somewhere in Europe. The men are Corporal Lloyd Bishop of Sudbury; Sapper Bill Hastie of Kirkland Lake; Sapper Jack Orr of Flin Flon and Sapper Gordon Cameron of Kirkland Lake.

With the C.I.O. union calling off its strike at eight mines in the Kirkland Lake area, production from Canada's second greatest gold mining field is expected to again step sharply ahead.

Milling operations at the area's greatest mines were severely affected by the strike in which well over half the miners walked out, sacrificing two months of pay envelopes for hoped-for union recognition. But the union failed to suspend production at any mine for more than a few days and the strikers were unable to enforce their demands.

By using broken ore reserves and curtailing development and exploration, production was maintained at a relatively high level considering the small number of workers remaining. Surprisingly productivity per worker proved much greater with men remaining.

Now the strike is over the idea is to really get back to work in Kirkland. Teck-Hughes and perhaps one other mine will permanently mill a somewhat smaller tonnage of ore following the strike. But the managements of other mines are eager to return mills to capacity, where this has not been done already.

There is a tremendous tonnage of ore outlined by past development in Kirkland Lake and this is a real war asset; a never-failing source of needed United States dollars.

Lake Shore

Production the last quarter of 1941 at Lake Shore Mines was almost $800,000 less than the previous quarter due to the strike. Output will probably be low again in the current quarter. But by the end of March, it is conceivable the mill will be running fairly close to normal.

Drifting at depth has returned very encouraging ore results, the company reports. At the 5,450-ft. horizon, the greatest depth at which drifting has been done, 306 ft. of ore averages 0.712 oz. gold across drift width of 77.5 inches. This was to the end of Sept., 1941. Work to that time had returned better results than on the levels immediately above.

Following its policy of "sequence" mining, Lake Shore has been concentrating on depth development. This programme may have been affected by the strike, but it appears that from the standpoint of both ore and keeping development well in hand, the company is in a much better position than a year or so ago.

Earnings were equal to $1.82 a share in the fiscal year ended June 30, 1941. Earnings are lower now but favorable ore results in the long run may more than offset temporary conditions resulting from the strike.

Capitalization

	Author.	Outstand.	Par
Common	2,000,000 sh.	2,000,000 sh.	$1

Price Range

	High	Low
1941	$21.00	$10.12
1940	32.00	15.75

Wright-Hargreaves

Effects of the strike in the Kirkland Lake area are shown in reduction of dividends by Wright-Hargreaves Mines. The usual extra of 5 cents will not be paid with the April 1 quarterly dividend of 10 cents.

Cessation of the strike will undoubtedly mean more money for dividends but increased expenses such as the cost-of-living bonus and larger taxes must be met in the ordinary course of operations.

Ore reserves at the Wright-Hargreaves Mine totalled $26.5 millions as at Aug. 30, 1941. Going at full mill capacity, this reserve will be sufficient for three years' operations. At a lower rate it would last just that much longer.

Earnings in the fiscal year ended Aug. 31, 1941, were equal to 69 cents a share. Earnings for the current year depend in large part on how quickly operations return to more nearly normal. Many good workers have left Kirkland Lake and a chronic labor shortage may develop even though the strike is over.

Fortunately Wright-Hargreaves financial position is strong. There was $4.5 millions working capital on hand at the end of last August.

Capitalization

	Author.	Outstand.	Par.
Com.	5,500,000 sh.	5,500,000 sh.	n.p.v.

Price Range

	High	Low
1941	$7.05	$2.25
1940	8.15	4.70

Macassa Mines

The even tenor of operations at Macassa Mines was disturbed by the strike on Nov. 18, 1941. Reduction in output was about 40%. However, earnings for 1941 were 37.3 cents a share compared with 40.4 cents a share for 1940. Macassa is expected to return to a full production basis in the very near future.

Development at depth has continued satisfactory and the company's strong "ore ahead" position has been maintained, it is stated. Ore reserves were three years' milling requirements at the end of 1940.

Macassa is now carrying on a programme of underground development at a subsidiary, Renabie Mines. A shaft has been put down and two levels are being opened up at this interesting gold mining exploration project.

Capitalization

	Author.	Outstand.	Par
Common	3,000,000 sh.	2,678.068 sh.	$1

Price Range

	High	Low
1941	$4.30	$2.52
1940	4.75	2.25

Kirkland Lake

If cessation of the strike means an adequate supply of labor, Kirkland Lake Gold Mining Co. will return to its usual milling rate of slightly over 400 tons of ore a day.

In the first nine months of 1941, earnings equalled 8.5 cents a share compared with 9.4 cents a share in the corresponding period of the previous year. Some effects of the strike will be shown both in 1940 and 1941 results, but as the company is in good shape minewise, officials do not expect the strike to have any permanent ill effects.

Ore is being found under new conditions at Kirkland Lake Gold Mining Co. with a number of veins and the direction they take, closely resembling the situation at Hollinger. These conditions are believed to be unlike those of any other Kirkland Lake mine. As the pattern of veining is further worked out, it may mean new ore sources of importance will be developed.

Ore reserves at the end of 1940 were sufficient for two years' milling operations. Reserves have a considerably higher average grade than ore going to the mill, testifying to the great tonnage of lower grade ore the company continues to open up and mine.

Capitalization

	Author.	Outstand.	Par
Common	5,500,000 sh.	5,326,699 sh.	$1

Price Range

	High	Low
1941	$1.05	$0.50
1040	1.54	0.70

Teck-Hughes

As far as Teck-Hughes Gold Mines is concerned, the Kirkland Lake strike has had a serious aftermath. It has been determined to treat only around 225 tons of ore a day as against 600 tons a day previous to the strike.

Plans call for treatment of a smaller tonnage of somewhat higher grade ore and the effect on profits may be not so severe. For years the company has been gradually cleaning up lower grade ore resources and treatment of ore from higher grade hanging wall bodies is now to be carried out.

Dividends from Lamaque Gold Mines are now equal to earnings from the Teck mine proper. Fortunately for Teck Lamaque earnings were not disturbed by the Kirkland Lake strike.

Earnings in the 16 months ended Dec. 31, 1941, were equal to 50.6 cents a share. The strike and the lower production rate planned may mean continued lower earnings from the Teck mine, but there has been no tendency for revenue from Lamaque to diminish. At the new lower treatment rate, ore reserves are sufficient for approximately four years' milling operations at the Teck mine.

Capitalization

	Author.	Outstand.	Par
Common	5,000,000 sh.	4,807,144 sh.	$1

Price Range

	High	Low
1941	$3.75	$2.08
1940	4.15	2.40

Sylvanite

Earnings of Sylvanite Gold Mines in 1941 are understood to have been slightly higher than 29 cents a share as against dividend payments of 28 cents a share. Due to the strike, the company's quarterly dividend was reduced from 7 to 5 cents a share. It is expected the company will continue to earn its new dividend rate and if earnings warrant, a year end extra will probably be paid.

While the company does not release figures on ore reserves, it is understood that development is well in advance of mill requirements. Indications have been encouraging as depth has been reached and shaft sinking has been carried on to allow exploration at still further depth.

Sylvanite has been fortunate in development of Delnite Mines. Dividends totalling 6 cents a share were paid by Delnite in both 1941 and 1940.

Capitalization

	Author.	Outstand.	Par
Common	3,300,000 sh.	3,299,500 sh.	$1

Price Range

	High	Low
1941	$2.90	$1.85
1940	3.45	1.90

Toburn

With the Kirkland Lake strike over, Toburn Gold Mines expects a quick return to normal operations. The company has declared its usual extra of one cent a share, payable with the regular quarterly dividend of 3 cents on Feb. 23, 1942.

Earnings in 1940 were equal to 22 cents a share. Lower production probably resulted in lower earnings in 1941 but the decline is not believed to have been drastic.

An interesting depth development programme is getting under way between the 1,090 and 2,075-ft. horizons. Opening up of this great vertical section will take some time, of course, but interesting news on depth possibilities may be available in the 1941 annual report.

Ore reserves at the end of 1940 were equal to 2½ years' requirements.

Capitalization

	Author.	Outstand.	Par
Common	2,000,000 sh.	1,850,000 sh.	$1

Price Range

	High	Low
1941	$1.80	$1.04
1940	1.90	1.00

Upper Canada

With delivery of its new hoist secured, Upper Canada Mines is getting an enlarged development programme under way. Late in 1941 approximately 200 tons of ore were being treated daily, but equipment is being installed to increase capacity to 250 tons a day.

With two shafts in operation rather than one, supplying ore for a milling rate of 250 tons a day is not expected to be a problem.

Surface drilling at Upper Canada has indicated a long favorable zone, much of which has not yet been thoroughly prospected underground. In July, 1941, the president reported that at least three years' ore reserves were in sight.

Upper Canada is understood to own in the neighborhood of half a million shares of Queenston Gold Mines whose property is adjacent to that of Upper Canada. Diamond drilling has indicated what appears to be an ore zone of important dimensions at Queenston and a programme of underground development is under way at levels at 150 and 250-ft. depth. Ore has already been shipped to the Upper Canada mill for treatment.

It is hoped that ore shipments will provide sufficient revenue to carry development operations at the new mine.

Capitalization

	Author.	Outstand.	Par
Common	3,000,000 sh.	2,963,009 sh.	$1

Price Range

	High	Low
1941	$2.28	$1.00
1940	2.41	0.55

Bidgood Kirkland

Even before the strike ended, operations were back to normal at Bidgood Kirkland Gold Mines. Production in December at $45,480 was the highest recorded since the preceding June.

Production for 1941 at $469,339 was approximately $65,000 greater than the previous year. It is not believed a net profit was shown in 1941, but work did reveal an interesting new ore source at the upper levels of the mine, and another around the 1,275-ft. horizon. New ore has been playing its part in increasing average recovery.

Capitalization

	Author.	Outstand.	Par
Common	4,000,000 sh.	3,731,715 sh.	$1

Price Range

	High	Low
1941	$0.15	$0.07
1940	0.52½	0.09

This Firm Tells the Part Brass Plays in Warfare

Important before the war started, brass production has increased many times as war has emphasized the importance of ever-greater brass production.

Two companies have played a major role in turning tremendous quantities of copper and zinc into brass for fabrication by our war industries.

The part played by one of these — Anaconda American Brass of New Toronto — was described recently by J. S. Vanderploeg, sales manager of the company, in a radio address.

Besides its own compact 17-acre plant being operated at New Toronto, Anaconda American Brass is operating a separate government-owned brass mill, built and being operated by Anaconda without profit. In these two mills nearly 2,500 skilled Canadians are working day and night—rolling copper sheets, plates and rods and drawing copper tubes. Canadian copper and zinc are being alloyed together to make brass which in turn the workers roll, draw, extrude, blank and stamp. Pure copper is combined not only with zinc, but also (when necessary) with tin, lead, nickel, aluminum, silicon, manganese and other metallic elements.

The result is a long list of standard and special copper alloys—practically all of which, in some form or another, find their way into guns and gun mounts, ammunition, planes, tanks and ships.

A Record of Real Growth

From small beginnings Anaconda's plant has grown into a major part of an expanded industry.

Canadian manufacture of metals such as those above is not new. The rolling mills at New Toronto were turning out copper and brass quite early in the century and employed more than 100 workers.

With the growth of the Dominion Anaconda also grew. Plant extensions and improvements were undertaken from time to time and by 1939 over 800 Canadian workers were gainfully employed.

In those pre-war years the firm's facilities were adequate to meet Canada's needs for copper and brass. But the impact of total war in Europe spurred Canadian enterprise into incredibly fast expansion. The 1939 capacity at New Toronto was soon found woefully inadequate for the prospective demand. Almost overnight the company made plans for additions costing $1.5 million.

Every week the Anaconda plant turns out as much as it produced in a single month prior to 1939.

When fabricated copper and copper-alloys leave the New Toronto plant they flow in many different directions. Perhaps the largest use, from a tonnage standpoint, is brass for shell cases. Brass has always been used for shell and cartridge cases because of its extreme workability.

In small arms ammunition alloys of copper and nickel, or copper and zinc, are often used as a jacket for the lead bullets. thus improving accuracy and increasing penetrating power.

Larger shells — from anti-tank and anti-aircraft to the huge projectiles for naval and coast defense—employ tremendous quantities of copper in the form of rotating or driving bands. These bands are cut from seamless copper tube and squeezed into place around the outside of the shell near the base.

There are still other demands for its alloys in the field of ammunition. Because brass does not rust, and as it can be machined efficiently at high speed, brass rod is used in the production of fuses, primers, and other small precision parts, for many different types of bombs, shells, torpedoes.

Brass finds its way into the manufacture of aircraft—for gas and oil lines, shock absorbers, etc.

Copper finds extensive use in modern mechanized warfare. To mention but a few of these uses of the copper family, there are parts made from these metals in aviation goggles, respirators, compasses, range finders, field glasses and fire fighting equipment. Radio and signal equipment require copper.

To supply these manifold requirements, hundreds of tons of finished metal are leaving the mills at Anaconda and elsewhere in Canada.

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TORONTO, ONT.

D. K. HONOR
Manager

Telephone ELgin 5451

BROULAN
PORCUPINE MINES LIMITED
(NO PERSONAL LIABILITY)
Incorporated under the laws of the Province of Ontario
Capitalization: Authorized 3,000,000 shares
Issued ...... 2,694,005 shares

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CHARTERED TRUST AND EXECUTOR COMPANY
Toronto, Ontario

Property consists of ten claims (415 acres) in the Porcupine Area, Ontario.
Preparation for erection of Surface Plant started October 1, 1938.
Shaft sinking started December 4th, 1938.
Production commenced in leased Mace Mill November 4th, 1939.
Production commenced in new Broulan Mill November 1st, 1940.
Five Dividends totalling 15c per share have been paid up to February 1st, 1942.
Total bullion production to date, $2,500,000.00.

Head Office: 372 Bay Street, Toronto, Ontario
Mine Office: Pamour, Ontario

MAGNESIUM ON PARADE
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Canada is now preparing to produce the basic magnesium metal.

Through research and experience in the production processes, the Robert Mitchell Company has produced, and is continuing to produce, the most intricate magnesium castings.

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"Specialists in the Fabrication and Casting of Modern Alloys"

Porcupine—Mining Camp Unique

Outstanding Characteristics: More and Larger Mines, Longer Life

Canada has no other gold mining camp like Porcupine. With over 30 years' productive life behind it, the area shows no signs of impending exhaustion.

Realizing longevity of Porcupine mines, managements have laid out unusually permanent plants.

Here are a few of the reasons why Porcupine is unique in gold mining across Canada:

Almost twice as many mines are producing in Porcupine as in any other Canadian mining area.

No other gold mining area in Canada can claim mines with such an extensive and continuous productive career.

Porcupine holds the record for the largest gold production of any mining camp in Canada and also for possessing the country's largest gold producer —Hollinger.

In financing Canada's war efforts, Porcupine gold mines have been playing an important part. Now the mines are contributing to the war effort in two new ways. Machine shops are being used for production of war equipment and recovery of the essential war mineral tungsten is being undertaken.

Several of the Porcupine mines have scheelite, the ore of tungsten, in their veins and Hollinger is installing a tungsten mill at a cost of $50,000 to speed output.

With prospecting and mine-making at very low levels, opening of new mines has shown considerable decrease in Porcupine the last year.

Hollinger

While operations at Hollinger Consolidated Gold Mines Porcupine property are running along smoothly, and the company has been the champion "U.S. dollar producer" among the gold mines, the company has been investigating still other ways in which a contribution to the Dominion's war effort can be made.

Besides installing a mill for production of tungsten, iron deposits of Labrador Mining & Exploration Co. are being brought under investigation and possibilities of the company's copper properties in the Kamiskotia area are being gone into once again. In the precious metals field a half interest has been taken in financing of Jerome Gold Mines and National Malartic Gold Mines; exploration has been carried on in other areas.

Higher taxes and increased costs for both supplies and labor meant a slight decline in profits at Hollinger in the first half of 1941 at least. Earnings were equal to 52 cents a share for the half year compared with 1940. Dividends continue to be paid at the same rate, $1.10 a share per annum.

In recent years, Hollinger has followed a policy of treating a somewhat lower average grade of ore than that in ore reserves. Recovery has been averaging around $9.50 a ton compared with an average of $13 a ton for the 4½ years of reserve ore blocked out. In addition to proven ore, a tremendous tonnage of lower grade ore is known to exist.

This is being drawn on for current mill feed by combing over some of the upper horizons. Development at depth has returned satisfactory values to the present bottom level of 5,150 ft.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,920,000 sh.	$5

Price Range

	High	Low
1941	$13.12	$9.80
1940	15.00	9.50

McIntyre Porcupine

McIntyre Porcupine is more than just one of Canada's largest gold mines. It is a small investment trust as well with substantial assets built up against the day when the company's mine is exhausted. That day may be far removed for there are as yet no signs of this exhaustion after 30 years of productive life.

Market value of investment securities at the end of March, 1941, was slightly over $19 millions or approximately $24 a share. A total of $11.4 millions was in Dominion, provincial and high-grade municipal bonds, while the balance represented common and preferred stock holdings in such companies as International Nickel, Standard Oil of New Jersey, Standard Oil of California, General Electric Co., American Metal Co., Amerada Corp., and International Petroleum.

Earnings for the nine months ended Dec. 31, 1941, equalled $3.09 a share compared with $3.59 a share for the corresponding period of 1940. Dividends continue at the regular rate of 55½c a share each quarter. An extra of $1.11 a share was paid on Jan. 2, 1942.,

Capitalization

	Author.	Outstand.	Par
Com.	800,000 sh.	798,000 sh.	$5

Price Range

	High	Low
1941	$52.00	$41.00
1940	58.00	37.25

Dome Mines

Treating its usual 1,700 tons of ore a day, Dome Mines production in 1941 at $7.7 millions was slightly lower than the previous year, and with operating costs slightly higher, earnings showed a narrow decline to $1.98 a share compared with $2.06 a share in 1940.

Income from investments showed a $125,000 increase to $732,348 helping to maintain earnings at the same level. Sigma Mines paid a total of 60c a share in dividends in 1941, and Dome received $360,000 from this source alone last year.

Dome is slowly cleaning up ore from the upper levels and until this work has been completed, no extensive mining of the lower horizons will be carried out. However, completion of the No. 6 shaft in 1940 will allow a lower level exploration to be carried out swiftly when desired. The shaft was competed at a time of relatively low cost.

The fact that Sigma Mines continues to expand is one of the bright spots in the Dome outlook. Including Sigma shares, Dome has working capital of approximately $10.3 millions at about $6 a share.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,946,668 sh.	n.p.v.

Price Range

	High	Low
1941	$24.75	$15.00
1940	29.00	16.00

Buffalo Ankerite

Production and profits took a turn for the better at Buffalo Ankerite Gold Mines during 1941. Output at $2.76 millions was approximately $250,000 higher than in the previous year and profits showed an even greater tendency to increase.

Earnings for the first six months of 1941 at 20.6 cents a share were higher than the total 1940 net profit of 20 cents a share. With production in the last half of 1941 at approximately the same rate as in the first half, full year earnings were probably close to 40 cents a share.

A large programme of shaft sinking has been completed in recent years which has had an adverse effect on current profits. Most of this work is believed to be out of the way for the time being. The company is more interested now in putting out long exploratory crosscuts to investigate areas where diamond drilling has given some encouragement outside of the main ore areas.

Capitalization

	Author.	Outstand.	Par
Com.	1,000,000 sh.	701,679 sh.	$1

Price Range

	High	Low
1941	$5.95	$2.60
1940	8.60	2.75

Paymaster Consol.

Lateral work on 16 new levels is expected to get under way at Paymaster Consolidated Mines in 1942 with the new No. 5 internal shaft extending from 2,075 ft. to 4,075 ft. completed for this purpose. Finishing touches are now being put on this shaft.

Striking improvement in length and grade of ore between the 1,400 and 2,075-ft. levels has been noted at Paymaster and results at still greater depth could possibly prove of outstanding importance. On the 2,075-ft. level, a total of 1,500 ft. of ore has been opened up averaging $10.50 per ton across average width of 4 to 6 feet.

Production was at record levels in 1941 and operating profits late in the year were running $35,000 to $40,000 monthly. Last month it was reported the company still had no ruling on the excess profits tax question. This has held up distribution of dividends. Working capital as at June 30, 1941, amounted to $1,037,536 of over 10 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	9,000,000 sh.	8,629,000 sh.	$1

Price Range

	High	Low
1941	$0.28	$0.15
1940	0.53	0.20

Coniaurum

Late in 1941, depth exploration at Coniaurum Mines started returning interesting ore results. Initial work on the block of ground tributary to the Bishop sub-shaft between the 3,500- and 5,000-ft. levels seems to indicate that good sources of ore will be disclosed.

Ore reserve figures are not released by Coniaurum but people in close touch with the situation feel that the ore position is at least as strong as a year ago.

The level of operating profits in 1941 was somewhat below that of the previous year when earnings were equal to 14.2 cents a share.

Dividends have been paid at the rate of 16 cents a share per annum since the original distribution at this rate on March 20, 1940,

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,766,743 sh.	n.p.v.

Price Range

	High	Low
1941	$1.55	$0.85
1940	1.98	1.00

Preston East Dome

A better year appears in the making for Preston East Dome Mines in 1942. A decision to double mill capacity to 1,000 tons daily was made in the first part of 1941 and increased capacity will soon be in play. While treatment of a generally lower average grade of ore is expected, production in 1942 should show a major increase from the $2.4 millions turned out in 1941.

From interim earning statements available, it appears that earnings in 1941 were approximately 27 cents a share compared with 38 cents a share for 1940.

During 1941 the company proceeded to open up substantial ore bodies diamond drilling had previously indicated at depth. Opening of levels at depth is expected to result in a major increase in ore reserves. It is understood that reserves at the end of 1940 showed a considerable increase over the 662,700 tons reported the end of 1940.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	$1

Price Range

	High	Low
1941	$3.60	$2.70
1940	3.70	1.30

Aunor

Opening a block of new levels below the 1,000-ft. horizon at Aunor Gold Mines in 1941 indicated ore at least comparable to that on the 1,000-ft. level which was previously the best in the mine. An interesting new development is disclosure of rather wide ore sections—up to 25 ft. in width—as well as the narrow veining in which gold usually occurs at Aunor.

Much of last year's work was concentrated on the 1,125 and 1,250-ft. levels and the good ore exposures there meant that the company was readily able to maintain its reserve position. In fact, during part of the year two tons of ore were being placed in sight for each ton of ore mined. Work has not been far advanced at the 1,500-ft. level but cross-cutting shows a width of 25 ft. (including several veins) which grades around $7 to $8 per ton for the full width.

Aunor's milling rate was stepped up to around 450 tons daily during 1941 from the 363-ton average of 1940. This allows a production of approximately $150,000 a month which results in a profit sufficient for payment of the company's 16 cents a share per annum dividend rate.

Ore reserves in 1940 were approximately three years' requirements

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	2,000,000 sh.	$1

Price Range

	High	Low
1941	$2.45	$1.43
1940	2.68	0.91

Broulan Porcupine

Reflecting treatment of lower average grade of ore to lengthen the life of the company's mine, Broulan Porcupine Mines earnings in 1941 were approximately 12 cents a share compared with 19 cents a share the previous year. As the lower grade ore had not previously been taken into ore reserves the company's reserve of higher grade ore is not being used up as rapidly as would otherwise be the case.

New ore was opened up or indicated at several places in the Broulan mine in 1941. Ore was disclosed in the eastern extension of the Bonetal zone before it reaches Hallnor and a considerable quantity of ore is expected from this source. Diamond drilling from the 600-ft. level of Pamour Porcupine into the company's north east claim —3,000 ft. northeast of the shaft —has given important ore intersections.

During 1941, Broulan continued to finance Bonetal Gold Mines and at the end of November holdings in this company totalled 836,337 shares carried at $189,655. The drain on Broulan finances for opening up of Bonetal has now been ended as revenue from production is paying Bonetal's development charges.

Ore reserves at the end of 1940 were over 500,000 tons or approximately 4½ years' supply. Since then milling rate has been stepped up from 350 to 550 tons a day

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,694,005 sh.	$1

Price Range

	High	Low
1941	$1.10	$0.56
1940	0.99	0.28

Bonetal

Bonetal has completed its shaft between the main north and south ore zones to a depth of 570 ft. with levels established at 175, 275, 400 and 512 ft. depths.

The No. 1 or south ore zone has been the more fully developed to date and ore from this zone is now being shipped to the Broulan mill at around 100 tons a day. Immediately north of the south ore zone, a new zone has been encountered with good width and possibly a higher average grade of ore.

The big No. 2 zone to the northwest was indicated by surface drilling for a length of 1,150 ft. A long line drive is going out on the 400-ft. level, parallel to the No. 2 zone, and when it reaches the approximate western end of the zone, flat drilling will be done to out-

(Continued on page 25)

KERR-ADDISON
GOLD MINES
LIMITED

Production Commenced—May 2nd, 1938.
Initial Mill Capacity—600 Tons Daily.
Present Mill Capacity—2,100 Tons Daily.
Production to Dec. 31, 1941 .... $12,141,322.03
Mine Payroll Disbursements May, 1936, to December 31st, 1941.... $ 3,353,420.75
Total Dividends to Dec. 31st, 1941 $ 2,365,150.50

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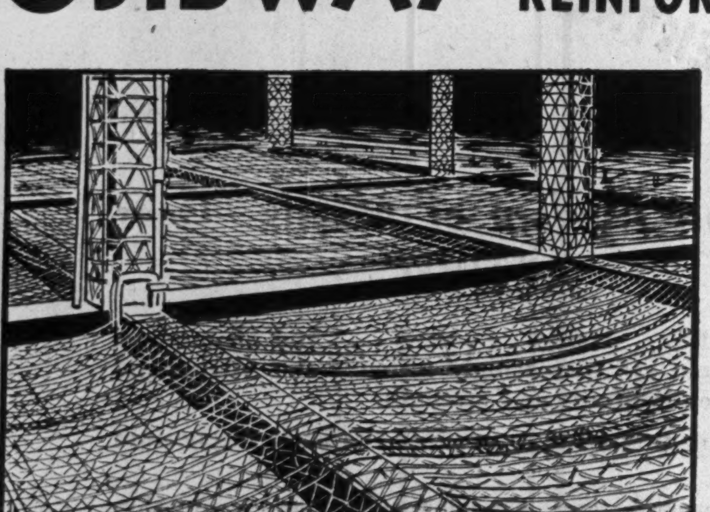

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Siscoe-Lamaque Adds a Zinc Mine

Erection of 600-ton Mill Now Underway at Golden Manitou

Increased production from the Siscoe-Lamaque gold area in 1942 is expected through a new metal—zinc. Output of gold continues close to record-breaking levels and the decision to place Golden Manitou in production will also give another source of gold although zinc is the primary metal to be turned out.

While developments in Siscoe-Lamaque have not been as startling as those in the Malartic area to the west, operations appear to have taken on a new degree of stability. Disclosures in the eastern end of the area, too—around Viceur—promise well for the future.

That the Siscoe-Lamaque area does not have to depend entirely on gold is shown by development of the Golden Manitou property with its large tonnage of zinc-gold ore.

Sigma Mines

With an average of 1,050 tons of ore handled daily in 1941 compared with 764 tons in 1940, Sigma Mines is expected to show some increase in earnings for 1941 over the [illegible]9 cents a share earned in 1940 even after allowing for higher taxes and the inevitable increase in operating costs resulting from an expanded rate of mining.

Grade of ore milled showed a considerable reduction in 1941 but bullion output for the year was approximately $500,000 higher than in 1940. Even if only half of this was carried through to net profit, earnings would be boosted by 25 cents a share.

Development at Sigma has always been kept well ahead of milling requirements and in the past a consistent increase in reserves has been shown year after year. For instance, reserves of 718,500 tons reported at the end of 1938 had been increased to 876,900 tons a year later. At the end of 1940, reserves had passed the million ton mark.

The latest dividend distribution was 30 cents a share on Jan. 15, 1942. A similar dividend of 30 cents a share had been paid July 15, 1941. Working capital at the end of 1940, the latest reported, totalled $544,615.

Capitalization

	Author.	Outstand.	Par
Com.	1,000,000 sh.	1,000,000 sh.	$1

Price Range

	High	Low
1941	$8.90	$6.25
1940	9.00	4.00

Lamaque

From indications available, it appears that Lamaque Gold Mines showed a slight decline in earnings in 1941. Profit for the nine months to Sept. 30, 1941, was equal to 36.8 cents a share, compared with 55 cents for all 1940. Tonnage of ore milled was held close to the usual rate of 1,200 tons a day, but grade of ore treated was slightly below average the first two quarters, bringing the profit rate down somewhat.

A slight upward trend in ore reserves has been noted with the 927,777 tons of ore on hand at Aug. 31, 1941, sufficient for well over two years' milling requirements. Lamaque has shown its ability to maintain or slightly increase its ore reserves over a period of years.

Since outbreak of war, considerable expansion has taken place in the Siscoe-Lamaque area. Further expansion has included a mill step-up at Siscoe expected to allow treatment of large tonnages of low but profitable grade ore.

While shaft sinking has been carried well below the 3,000-ft. horizon, it is interesting to note stoping has not yet been carried below the 1,400-ft. horizon. Development in the 1,000-ft. block of ground below the 1,200-ft. horizon has not by any means been completed but it shows a strong downward continuation of ore. During 1942, development down to the 3,600-ft. level got well under way. Lamaque is a mine of many veins.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	n.p.v.

Price Range

	High	Low
1941	$5.15	$3.85
1940	7.25	4.75

Siscoe

Mill capacity was boosted from 650 to 1,000 tons daily at Siscoe Gold Mines during 1941 in what was a most important transition period. Detailed exploration on the upper horizons of the mine had revealed large tonnages of lower grade ore which could be treated at a profit if the increased milling rate was put into effect, consequently the step-up.

Siscoe has had a long, hard road to travel in recent years with grade of ore dropping month by month. However, chances are better for improved results if higher costs—such as the cost-of-living bonus—do not eat into the margin of profit too far.

Earnings for 1941 were probably in the neighborhood of 9 cents a share, compared with 10 cents a share for 1940.

Siscoe continues to search for a new mine and numerous properties have been investigated.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,640,063 sh.	$1

Price Range

	High	Low
1941	$0.69	$0.45
1940	0.95	0.47

Sullivan

The year 1941 witnessed important expansion at Sullivan Consolidated Mines—expansion of ore reserves which led to further expansion of milling capacity. Production has been increased year by year at Sullivan and the company can claim a record of consistent growth which few other gold mining enterprises can duplicate. In 1935 mill capacity was 85 tons a day. Now it is 500 tons a day.

On Sept. 1, 1941, ore reserves touched a new peak at $6,065,437.

In spite of the step-up in mill capacity, ore reserves are still sufficient for well over three years' milling requirements. Sinking of the No. 2 shaft to 1,650 ft. is expected to make three further levels available for exploration and development the latter part of 1942. Diamond drilling in the Sullivan mine during 1941 was successful in outlining a number of new veins which must be regarded as potential sources of further ore.

With increased development, operating profits were perhaps somewhat higher in 1941 but considering the higher total output for the year, earnings may have been somewhat greater than the 9.1 cents a share earned in 1940.

Capitalization

	Author.	Issued	Par
Com.	4,000,000 sh.	4,000,000 sh.	$1

Price Range

	High	Low
1941	$0.80	$0.50
1940	1.02	0.50

Golden Manitou

The eastern section of the Siscoe-Lamaque area will get its first producer in Golden Manitou Mines some time in 1942.

Golden Manitou was formed to take over the major part of the property of Quebec Manitou Mines on which a substantial body of zinc-gold-silver ore had been opened up from a shaft put down to the 375-ft. level. Altogether, it is estimated 500,000 tons of positive ore had been outlined to the 375-ft. level with an additional million tons indicated by close and systematic diamond drilling to the 650-ft. horizon. Grade of this ore is estimated at 10% zinc, .10 oz. gold and 4.63 oz. silver.

Mill capacity at Golden Manitou will be 600 tons a day with zinc concentrates secured expected to return the company around $9 to $10 per ton of ore mined.

Financing of the property to production was arranged by an $850,000 6% bond issue. Officials hope production may be commenced by May 1, 1942, if no unexpected delays occur.

Capitalization

	Author.	Outstand.	Par
6% Bds.	$850,000	†	
Com.	3,500,000 sh.	*1,500,000 sh.	$1

*Issued for property. †Not available.

Porcupine—Mining Camps Unique

(Continued from page 24)

line the ore indicated by surface drilling.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,822,173 sh.	$1

Price Range

	High	Low
1941	$0.59	$0.23

Delnite Mines

Sharp increase in production was shown by Delnite Mines in 1941 due to a step-up in mill capacity from 360 to 440 tons daily.

Year's earnings have not yet been released but it appears likely they were at a much higher level than the four cent rate in 1940. Two dividend distributions of three cents a share were made in 1941.

Depth work has given favorable results and there is still a long stretch along its break yet to be explored. Length of ore exposed in drifting indicate a strong forward ore position.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,978,767 sh.	$1

Price Range

	High	Low
1941	$1.25	$0.68
1940	1.35	0.57

Hallnor Mines

Hallnor Mines earnings for 1941 are expected to be somewhat below the 74 cents a share of 1940. Part of the decrease can be attributed to the higher level of taxation.

Exploration on the 1,560-ft. level failed to reveal the known ore zone. Consequently it was decided to sink shaft a further 600 ft. to allow exploration at depth. A new level at 2,160 ft. has been established and plans call for exploration to the west.

Further ore for milling is not a pressing problem and the company can afford to carry on extensive development. At the end of 1940 there was four years' ore in reserve.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	2,000,000 sh.	$1

Price Range

	High	Low
1941	$5.40	$2.25
1940	7.75	5.00

Pamour Porcupine

Marked improvement in the mine picture at Pamour Porcupine Mines in recent months is reported. To the substantial tonnage of lower grade ore outlined above the 600-ft. level in the western area, has been added a substantial deposit to the east. Much of this is undoubtedly fairly low grade (ore to the east appears to be about $4.25 a ton) but is expected to yield a fair profit.

At the end of 1940, reserves were approximately three years' milling requirements.

With much development being done, earnings were not high in 1941. In the first six months, profit was 5.26 cents a share compared with 7.23 cents the same period of 1940.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	5,000,000 sh.	n.p.v.

Price Range

	High	Low
1941	$1.65	$0.80
1940	2.35	0.80

Hoyle Gold Mines

Starting production Jan. 23, 1941, Hoyle Gold Mines is now completing expansion from 450 to 750 tons daily. Exceptionally low costs are expected which will allow treatment of a relatively low grade of ore.

Handling around 500 tons of ore per day, the company turns out around $65,000 of gold a month.

It is understood ore reserves have been maintained close to the 1,300,000 tons estimated prior to start of production. Operating costs at around $2.75 a ton have been slightly higher than was envisaged, but this is due chiefly to higher labor costs and costs of extra development.

Additional ore has been found west on the 400-ft. level and east on the 600-ft. level.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	5,000,000 sh.	n.p.v.

Naybob

With sinking its shaft from the 825-ft. horizon to 1,400 ft. practically completed, Naybob Gold Mines is expected to start depth development shortly. Efforts in recent months have been chiefly concentrated on getting the shaft down and doing some exploratory drilling. Many ore chances still exist on the upper horizons.

The mill is now handling around 200 tons of ore daily, more than in the previous fiscal year. Earnings for the fiscal year ended Aug. 31, 1941, were two cents a share after all charges. Operating profits available for dividends are much larger than net profits and something more than net profits has been paid out in dividends.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,970,309 sh.	$1

Price Range

	High	Low
1941	$0.31	$0.30
1940	0.37¾	0.12

Moneta Porcupine

While exploration has failed to reveal any important new source of ore at Moneta Porcupine Mines, it is estimated that sufficient ore is available to carry operations well on towards the end of this year if not longer.

Exploration for new properties continues and the company is interested in at least one interesting new venture—Dominion Magnesium Co. which holds rights to a magnesium recovery process. The company will operate a plant near Renfrew, the Dominion Government putting up the money.

With the end of the productive career of the company's mine drawing steadily closer, dividends were reduced to eight cents a share per annum in July, 1941. Earnings have been maintained above the dividend level, however, and it appears the company has been able to strengthen its working capital position.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,543,860 sh.	$1

Price Range

	High	Low
1941	$0.54	$0.24
1940	0.93½	0.37½

De Santis

Ore has been disclosed down to the present bottom level at De Santis Porcupine Mines with an important cross-cut ore width hardly sustained by later lateral work at the 1,175 ft. level.

The mill continues to handle approximately 180 tons of ore daily and production of $35,000 a month means a small operating profit. For the fiscal year ended Oct. 31, 1941, an operating profit of $50,552 was realized while production totalled $432,396 from 59,373 tons of ore treated.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,913,163 sh.	$1

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MacLeod-Cockshutt Holds Little Long Lac Spotlight

Area's Leading Producer Forges Ahead as Prospecting Declines to Relatively Low Level Due to War

Undoubtedly the largest mine so far opened in Little Long Lac, MacLeod-Cockshutt has devoted its last year to expansion—both above and below ground. Greater production should mean greater profits. The government will benefit too as the company is no longer under the "Tax Umbrella."

Little Long Lac in 1941 had one development transcending all others in importance—continued expansion of MacLeod-Cockshutt Gold Mines into one of the greatest gold mines opened up in Canada during the last decade.

Like most other gold areas, however, Little Long Lac experienced only a small scale of prospecting last year. No new strikes of first class importance were made.

Besides MacLeod-Cockshutt, several other mines were in the spotlight due to new ore disclosures. Hard Rock Gold Mines had some new "ore luck." Magnet continued to show impressive ore as depth was reached.

Mines, like trees in a forest, wax and wane, some fall as others rise. Northern Empire closed down after running out of ore at depth. Sand River found further financing necessary and Northern Empire entered into an agreement with the Sand River management. Bankfield saw a gradual diminution of ore resources. New ore will have to be found if operations are to continue there.

Operations in the Beardmore section have been complicated by the diabase sill which has been found at all three major mines opened up in the area—Leitch, Sand River and the closed-down Northern Empire. The first two of these mines are progressing to the sill-piercing stage and managements are hopeful that veins will be picked up unchanged below.

MacLeod-Cockshutt

Expansion in ore resources led to a decision to increase mill capacity from 700 to 1,000 tons daily at MacLeod-Cockshutt Gold Mines late in 1941. Due to war conditions, delivery of equipment may be slow and it is not possible to say just when the higher milling rate will come into effect.

Expansion will allow for an eventual increase to 1,500 tons daily and in view of mine development, an increase to this rate may not long be delayed if the war does not hinder further expansion.

In the year ended Sept. 30, 1941, ore reserves were increased from 797,000 tons grading $10.01 a ton to the 800-ft. level to a total of 1,328,818 tons of slightly lower grade at the end of the period. Based on the sixth level in the north ore zone and on the fourth level drilling in the west ore zone, there is an indicated total of 4,400 tons of ore per vertical foot with some further ore remaining to be developed on these levels.

To open up the west ore zone and prepare it for increased production in 1940-41 fiscal year, a large development programme was carried on. The main No. 2 shaft was continued to 1,400 ft. while the old No. 1 shaft was deepened from 150 to 1,100 ft. to serve the west ore zone. With many new places to carry on development, a substantial addition to ore reserves may possibly come shortly.

Earnings in the fiscal year ended Sept. 30, 1941, were 17.8 cents a share. Increase in production is expected to give higher profits but the increase will be tempered by the fact that exemption from corporation income tax is now over.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,862,490 sh.	$1

Price Range

	High	Low
1941	$2.39	$1.49
1940	2.74	1.00

Little Long Lac

Little Long Lac Gold Mines may be in as good an ore position today as at any time in its history. On the bottom level at 2,200 ft. depth, ore results have been comparable to those on upper horizons and possibilities at further depth appear bright.

Ore reserves at the end of 1940 were 451,000 tons or approximately four years' milling requirements. It is possible that this reserve has been decreased slightly as work has been concentrated on shaft sinking in recent months but opening of a block of new levels in 1942 could quickly place much new ore in sight.

Drifting on the four new levels from the new internal shaft should be under way shortly if it has not already been started.

An interesting new development at Little Long Lac is the discovery of tungsten in the No. 2 or south vein. This vein contains considerable quantities of scheelite—the ore of tungsten—and equipment is being installed to recover it. Tests indicate that a profit will be made on scheelite production. In some places the scheelite content is worth more than the gold.

Earnings in 1941 were probably somewhat lower than those in 1940 when 30 cents a share was earned. Production was slightly lower and tax burden was greater. Working capital is about 30 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,841,000 sh.	n.p.v.

Price Range

	High	Low
1941	$2.10	$1.25
1940	3.40	1.71

Hard Rock

Production was maintained at close to the usual level of $100,000 monthly at Hard Rock Gold Mines in 1941. Earnings for the year ended Feb. 28, 1942, are not expected to show much deviation from last year's 10.8 cents a share. Taxes are expected to be the main item of increased cost.

Additional equipment was installed in June, 1941, to allow treatment of free milling ore, which increased the flexibility of operations. While no official statement is available, it is understood that ore reserves are still around the figure of 641,000 tons reported at Feb. 28, 1941. This reserve is about equal to five years' milling at the current production rate.

Keeping development well ahead of mill requirements, sinking of the No. 2 shaft from 475 ft. to 1,500 ft. was commenced late in 1941. This will give six new levels for development and over the next year some interesting ore news should result.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,990,074 sh.	$1

Price Range

	High	Low
1941	$1.10	$0.45
1940	1.48	0.55

Magnet Consolidated

During 1942, work at Magnet Consolidated Mines will be concentrated on opening up the block of ground between 1,000 and 1,750 depth. Plans call for drifting to be carried out at the 1,230 and 1,380-ft. levels before levels at 1,555 and 1,730 ft. are opened up. Work is already under way on these first two new levels.

As the 1,080-ft. horizon was much the best opened up to date, results in depth work will be followed with great interest. Ore bodies plunge to the west as depth is reached and considerable drifting must be carried out from the shaft before ore values begin to come in.

Ore reserves were doubled to 109,000 tons at Jan. 1, 1941. Concentration of work on shaft sinking may have brought a slight lowering of reserves since, but opening of new levels can easily correct this situation.

Earnings in 1940 were 14 cents a share. In view of slightly lower recovery the first part of 1941 and the higher taxes now in effect, earnings for 1941 may have been somewhat below the record 1940 figure.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	$1

Tombill

Some ore is still available in the original Tombill Gold Mines workings and with ore remaining at Elmos, it is estimated that Tombill will continue producing for some time at least, even if no new source of ore is found.

After payment of a dividend of 10 cents a share the early part of 1941, it is estimated Tombill still has working capital of around $300,000 or approximately 15 to 20 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,520,000 sh.	$1

Bankfield

Best ore chance remaining at Bankfield Consolidated is that the Magnet Consolidated ore zone will be found to come into the property at depth due to its westerly rake. Magnet has been extending its workings to depth rapidly and the unfolding of the ore picture at Magnet is being watched carefully by Bankfield officials.

Milling at Bankfield has continued longer than seemed likely a year ago. At the end of last October, ore reserves were still 13,189 tons averaging .1217 oz. gold per ton. It was estimated a further 10,000 tons was available, partially developed, grading .2 ounces to .25 ounces of gold per ton. Exploration of the extension of the Bankfield-Tombill ore zone at the 775-ft. level has been giving some ore which is allowing exploration to continue. Bankfield was not successful in finding ore at depth in its main ore zone.

Working capital at Nov. 30, 1940, amounted to $294,380 or over 10 cents a share. No later statement of financial position is available.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,564,904 sh.	$1

Price Range

	High	Low
1941	$0.08	$0.03½
1940	0.28	0.05

Leitch

Work in 1941 at Leitch Gold Mines was chiefly concentrated on opening up the block of new levels from 1,150 to 1,650 ft. depth. First work was concentrated on the 1,150 and 1,650-ft. horizons and high grade ore of the typical Leitch variety was disclosed on both.

Ore reserves at the end of 1940 totalled 95,209 tons, averaging $23.14 a ton or enough to keep the mill running for over three years. There was a decrease in reserves in 1940—which could be attributed to concentration of work on shaft sinking—but it appears likely that reserves were increased or maintained in 1941.

A few hundred feet below the present bottom level, a diabase sill occurs with an indicated thickness of 500 to 600 ft. Another mine in the same area found its ore zone unchanged below the sill and the Leitch management expects similar conditions will be found at their property. There is plenty of ore in reserve to carry the company through any large shaft sinking programme the sill entails.

Quarterly earning statements indicate profits are running approximately eight cents a share per annum or at the same level as in 1940. Dividends have been maintained at eight cents a share per annum, payable quarterly.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,850,005 sh.	$1

Price Range

	High	Low
1941	$0.60	$0.39
1940	0.68	0.41

Sturgeon River

In the first six months of 1941, Sturgeon River Gold Mines was able to double ore reserves to a total of 111,000 tons of $12.32 a ton grade, or sufficient ore for milling operations extending over four years. This increase in reserves resulted from lengthening the ore zone from 1,000 to 1,800 ft. at the 1,580-ft. level.

So satisfactory were results that a decision was made to continue shaft from 1,750 ft. to 2,250 ft. to establish three more levels at 166-ft. intervals.

Sturgeon River provides another example of how the gold mining market tends to discount liquid assets during a period of declining share prices. At the end of 1940, net current assets of Sturgeon River were equal to 12 cents a share—more than the current market price for the company's stock. A dividend of four cents a share was paid last April but this dividend was met in part if not entirely by operating profits. Production was somewhat lower in 1941 than in 1940 when earnings were four cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,749,758 sh.	$1

Price Range

	High	Low
1941	$0.24	$0.09½
1940	0.20½	0.09

Northern Empire

Suspension of milling operations at Northern Empire Mines Co. in September, 1941, came as no surprise. Failing ore results at depth had been noticed for a period of two years.

Not many companies can wind up their productive careers in the strong position of Northern Empire Mines.

For every share of Northern Empire issued, the company holds more than four shares of Magnet Consolidated Mines on which substantial dividends are paid. In addition, working capital was around $1.40 a share at the end of 1940. Dividends of 30 cents a share were paid in 1941.

In August, 1941, Northern Empire completed an agreement to finance Sand River Gold Mining Co. It was agreed to retire $72,000 of Sand River notes and development plans called for sinking the shaft through the Sand River diabase sill for exploration at greater depth.

If results satisfy, Northern Empire Mines can eventually secure a 74.8% interest in a new company to be formed. Besides this, Northern Empire can secure advances back in the form of 5% income notes of the new company.

Capitalization

	Author.	Outstand.	Par
Com.	500,000 sh.	400,000 sh.	$1

Price Range

	High	Low
1941	$6.00	$3.75
1940	9.85	6.50

Sand River

Two important developments occurred at Sand River Mining Co. as depth was reached. First, the bottom level at 1,150 ft. was disclosed as the best in the mine with a total of 1,410 ft. of ore averaging .65 oz. across 13.8 inches. To offset this, however, diamond drilling showed a diabase sill 600 ft. thick starting at the 1,600-ft. horizon.

When this latter situation was revealed, the management completed a new financing deal with Northern Empire Mines (details of which are shown under Northern Empire) and Northern Empire now holds the right to form a new company in which Sand River shareholders will receive one new share for each 10 present shares. This deal should provide adequate financing for a test of depth possibilities.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,520,005 sh.	$1

Price Range

	High	Low
1941	$0.07½	$0.01½
1940	0.15	0.05

St. Anthony

Production at St. Anthony Gold Mines has been running around $25,000 a month. This pays operating expenses and leaves a moderate operating profit. New ore developments in 1941 have maintained the ore position and reserves are estimated at one year's supply.

In the past, supply of power has presented problems, but the hydro-electric power development has been improved and Diesel power equipment is also available. Working capital showed a small excess of current liabilities over current assets at the end of 1940 but there have been no large commitments to meet and the financial position may have been improved in 1941.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,168,510 sh.	$1

Price Range

	High	Low
1941	$0.14	$0.03¾
1940	0.21	0.07⅝

Coniaurum Gold Mine

METALS

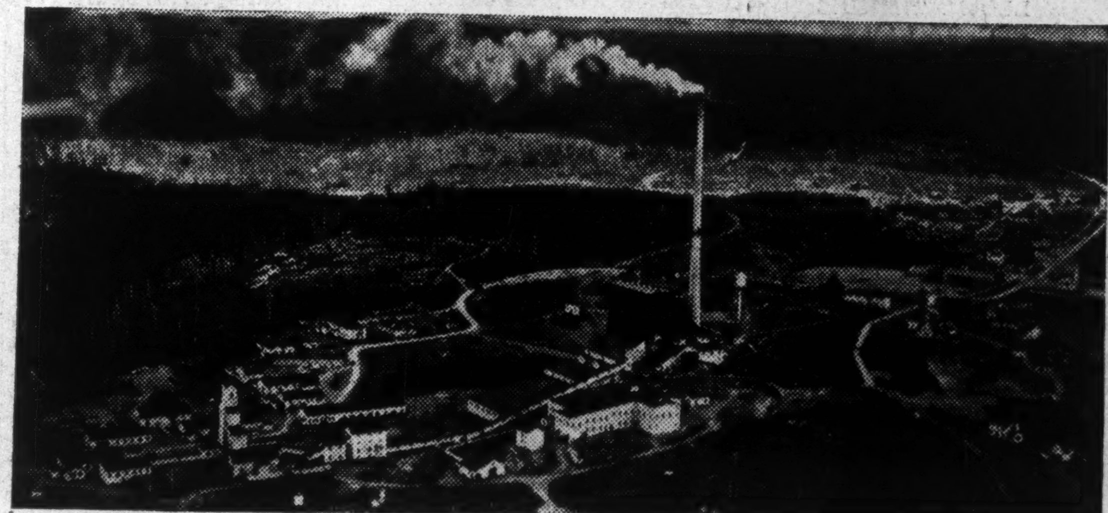
are essential for Victory

It's an all-out war effort that Ventures Limited is making as its share in Canada's war — co-operating to the full extent of its resources with the Dominion Government. Its objectives are three-fold:

(1) To continue and to increase its production of metals essential to the winning of the war.
(2) To meet the Government's call for the investigation of strategic minerals.
(3) To co-operate in the development of alloys and other materials important to the war effort.

Ventures' metallurgists are working with zeal on many fronts, while the work of drilling, shaft-sinking and mineral production goes on apace. Ventures is doing its utmost to assist in World War II.

Above: Falconbridge Nickel Mine *Below:* Beattie Gold Mine



Ventures Limited and Associated Companies

Canadian Malartic Gold Mines Ltd. Sherritt Gordon Mines Ltd. Sudbury Basin Mines Ltd.
Matachewan Consolidated Mines Ltd.

HEAD OFFICE 25 KING ST. WEST TORONTO, ONTARIO

Kerr-Addison Larder Lake Standout

Exploration Along Main Break Progresses Despite War

Larder Lake continued to prove it is "big mine" country in 1941. What was not long ago Canada's most backward gold mining camp today compares favorably with any of our newly-opened mining areas.

Kerr-Addison Gold Mines—the area's largest producer—can claim the distinction of being the largest new gold mine developed in Canada in years. In mill capacity and tonnage blocked out or indicated, none of our other new mines can quite measure up to Kerr-Addison.

Discovered before Kirkland Lake, Larder Lake got off on the wrong foot. Large sums of money were spent on development only to have the companies wind up in bankruptcy. The area was discredited in the eyes of the general public, only a few die-hards were willing to argue that profitable gold mines might be developed.

The area was still conceded to have a considerable tonnage of lower grade ore indicated at what is now the Omega Mines and it was this deposit, plus $35 gold, that brought renewed interest in the area. Omega only proved moderately profitable, but prospectors again turned to other properties in the area. Worked many years before, Kerr-Addison was reopened and results soon surpassed expectations. A very large tonnage of low grade ore was hoped for but a large tonnage of medium grade ore was found. Chesterville, lying east of Kerr-Addison, was placed in profitable production and has shown a consistent record of growth.

A number of properties lying between Omega on the west and Kerr-Addison were developed either at surface or underground—on what is considered to be the main break—but while some ore was disclosed, no property was successful in reaching production. Recently several of these companies — Fernland, Cheminis and Sarcee—were combined in a new company, Amalgamated Larder Mines, with the intention of giving this potentially valuable ground a new testing.

Larder Lake's premier producer—Kerr-Addison—is one of the country's greatest gold mines. This relatively youthful producer is stated to have exposed more tons of ore per vertical foot than any other gold mine. Hollinger, however, can still show a greater number of ounces of gold per vertical foot.

Finances for this work are being provided by Anglo-Huronian, Noranda, Consolidated Smelters and Ventures Ltd. Some ore has already been developed but it is believed work will be concentrated on finding further ore bodies rather than extending those known to exist.

Kerr-Addison

Highlight of underground work at Kerr-Addison Gold Mines during 1941 was disclosure of approximately 9,000 tons of ore per vertical foot at the 1,300-ft. horizon with indications that this level may eventually show 10,000 or more tons per vertical foot.

When it is realized that continuation of such ore for just 1,000 ft. of depth would mean an additional 10 million tons of ore, some idea is secured of the way the ore picture has been unfolding at Kerr-Addison mine.

In view of the new ore at Kerr-Addison, it might be thought that mill capacity would have been increased beyond 2,200 tons per day by now. However, it must be realized that indicating ore and preparing it for mining are two entirely different things. Conservative handling of a mine means that mill capacity is only increased as a mine is prepared to deliver an increased tonnage of ore without hindering the scale of development being carried on.

Development is now being concentrated on deepening the main shaft from 1,450 ft. to the 3,000-ft. horizon. This will permit opening up 10 more levels, a job that is expected to get well underway around the end of this year. Results secured in this great depth programme will govern the company's plan for eventual expansion.

The next lift in the production rate is expected to be from 2,200 tons to 3,000 tons a day. When a higher production rate will be placed in effect—if considered desirable—may depend to a large extent on securing extra equipment. Deliveries of equipment for expansion are just about impossible to secure just now. Kerr-Addison may have to defer expansion. There is no denying the great extent of the Kerr-Addison deposit, however, and the prospects for eventual growth based on present ore disclosures must be considered bright.

Earnings of Kerr-Addison have been unofficially estimated at close to 50 cents a share for 1941. In 1942 the company comes out from under the "tax umbrella" and a further 18% of profit must be paid out under the corporation income tax. Offsetting this, however, is the increased milling rate now in effect.

Operating profits recently have been running close to a million dollars a quarter.

No estimate of ore reserves has been released since the end of 1940 when reserves totalled over 5,000,000 tons of $7.66 grade at $38.50 gold.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,730,301 sh.	$1

Price Range

	High	Low
1941	$4.90	$3.05
1940	4.10	1.20

Chesterville

Following diamond drill disclosures of ore bodies at depth, Chesterville Larder Lake Gold Mining Co. has been considering an increase in mill capacity from 700 to 1,200 tons daily. With the existing rate of deliveries of milling equipment it was thought some time ago that this expansion — costing about $200,000—could be placed in effect in perhaps the third quarter of the current year.

Drilling from the Kerr-Addison 1,300-ft. level has given indications of at least three ore bodies, two of which are extensions of the Kerr-Addison No. 21 and No. 18 bodies. The Kerr-Addison No. 21 ore body is Kerr's largest, and its extension into Chesterville ground would be a development of the first importance.

Most of the Chesterville work has so far been carried out at relatively shallow depth on levels at 150, 300, 425 and 550 ft. Shaft was deepened to 1,250 ft. during 1941 and further levels established down to 1,175 ft. The 1,175-foot level is the mine's ninth. With ore indicated at still greater depths from the Kerr-Addison workings, plans call for deepening the shaft to 1,850 ft.

In spite of the fact that shaft sinking was completed late in the year, it is understood that Chesterville's ore position was well maintained in 1941. Reserves at the beginning of the year totalled 851,198 tons, averaging .154 oz. gold per ton.

Earnings in 1940 were 19 cents a share and after all charges it appears that earnings in the year ended Dec. 15, 1941, were not far from those of the previous period.

Capitalization

	Author.	Outstand.	Par
Com.	2,000,000 sh.	1,708,459 sh.	$1

Price Range

	High	Low
1941	$1.87	$1.10
1940	1.48	0.41

Proprietary

Fortunes of Proprietary Mines are largely tied in with those of Kerr-Addison in which the company holds 1,011,875 shares. This holding is equivalent to more than one Kerr-Addison share for each Proprietary share outstanding.

With a steady income from Kerr-Addison shareholdings, Proprietary is paying dividends to its shareholders at the same rate as Kerr-Addison.

Litigation was finally cleared up and legal expenses, which had run into hundreds of thousands of dollars, were finally brought down to their normal level.

Besides its Kerr-Addison shareholding, Proprietary has power sites which supply power to near by mines and the town of Larder Lake.

Proprietary owns the townsite of Larder Lake itself. During 1940 Proprietary received 15 cents a share in dividends from Kerr-Addison. This total was increased to 35 cents a share in 1941.

Capitalization

	Author.	Outstand.	Par
Com.	1,000,000 sh.	919,480 sh.	n.p.v.

Omega

Officials of Omega Gold Mines have been frankly worried over the tendency toward higher costs. Omega works on a very narrow margin of profit and every increase in taxes or operating costs means a serious drain on revenue.

Price ceilings have brought a somewhat more optimistic view on the Omega situation. Management has continued to hope that a higher than average grade ore body might be encountered which would bring better profits.

So far no great change in the position of the mine has taken place. Ore reserves remain at nearly three years' milling requirements.

Over a period of four years non-interest bearing indebtedness to Castle Trethewey Mines has been reduced from $632,503 to $275,000. At the same time, working capital has been increased from $57,595 to $127,696.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	5,000,000 sh.	$1

Price Range

	High	Low
1941	$0.18	$0.05
1940	0.34	0.11

Laguerre

When diamond drilling was successful in indicating a new ore shoot at Laguerre Gold Mines, a new shaft was put down to 250 ft. and considerable work was carried out. A fault has tended to confuse interpretation of results in underground work and it may not prove possible to open up an ore shoot such as that suggested by preliminary surface drilling.

Surface drilling had indicated an ore shoot with a length of 300 ft. averaging $7.23 a ton across an average width of 23 ft.

Few details have come out on results recently.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	1,955,256 sh.	$1

Amalgamated Larder

First work to be carried out at Amalgamated Larder Mines will be a programme of diamond drilling. Holdings cover some four miles along the strike of the Larder Lake ore zone, much of it virgin ground as far as exploration is concerned.

Finances were provided through purchase of 400,000 shares at 25 cents a share by Noranda, Anglo-Huronian, Consolidated Smelters and Ventures Ltd. Options have also been given on an additional 2.6 million shares at 25 to 75 cents.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	1,978,000 sh.	$1

Yama Gold Mines

Production was finally reached by Yama Gold Mines in Oct., 1941, but results proved disappointing. The mill, which officials had hoped would handle 75 to 100 tons of ore a day, was found capable of handling only an average of 50 tons. Directors have since been endeavoring to increase capacity to between 100 and 125 tons a day. At this milling rate, directors believe a satisfactory operating profit could be achieved.

Ore grade has been lower than estimated and with the mill handling less than 50 tons, production has not been paying operating expenses. Yama is stated to have liabilities totalling almost $265,000.

It is proposed to raise immediate funds by borrowing up to $75,000 secured by a mortgage on plant and equipment. These funds, if secured, will be used to increase capacity to 75 tons at once. At this rate, officials believe operations could be conducted without loss.

Capitalization*

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,215,101 sh.	$1

*Also notes totalling $141,200 outstanding Jan. 7, 1942.

SULLIVAN CONSOLIDATED MINES LIMITED

Capitalization 4,000,000 shares. Authorized Par Value — $1.00.

DIRECTORS:

J. R. Gauvreau—*president*
Pierre Beauchemin—*vice-pres. & managing director*
Adelard Beauchemin— Alfred Paradis, Jr.
J. A. Beauchemin H. H. Racine
L. E. Morin A. Archambault—*sect.-treas.*

HEAD OFFICE:
1604 ALDRED BLDG. MONTREAL, QUE.

BUFFALO ANKERITE GOLD MINES LIMITED
(No Personal Liability)
Incorporated under the Ontario Companies Act

The milling capacity has been increased during the year. The average tonnage per day for the year 1941 was 1229 tons. Sinking the No. 5 shaft was again started during the year and is now at approximately the 2870 foot level.

Year	Production	Tons Milled Per Day
1932	$ 246,620	300
1933	462,680	321
1934	712,898	360
1935	1,056,653	437
1936	1,888,828	742
1937	2,832,513	940
1938	2,971,464	994
1939	2,625,952	986
1940	2,508,556	1034
1941	2,760,979	1229
	$18,067,143	

During the same period it has paid out the following:

Wages	$8,170,119
Supplies and Equipment	6,423,363
Taxes	551,296
Dividends	2,552,505

Executive Office
2100 Rand Building,
Buffalo, N. Y.

Head Office
South Porcupine,
Ontario

Sylvanite Gold Mines, Limited

(NO PERSONAL LIABILITY)

Incorporated Under the Laws of the Province of Ontario—Authorized Capital $3,300,000.00

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William L. Marcy ....*Vice-President*
Clark L. Ingham ....*Treasurer*
Welles V. Moot *Managing Director*
William S. Walton .... *Secretary*
Harry Yates ....*Director*
Alfred H. Sharpe ....*Director*
Kenneth C. Gray ....*Manager*

HEAD OFFICE:
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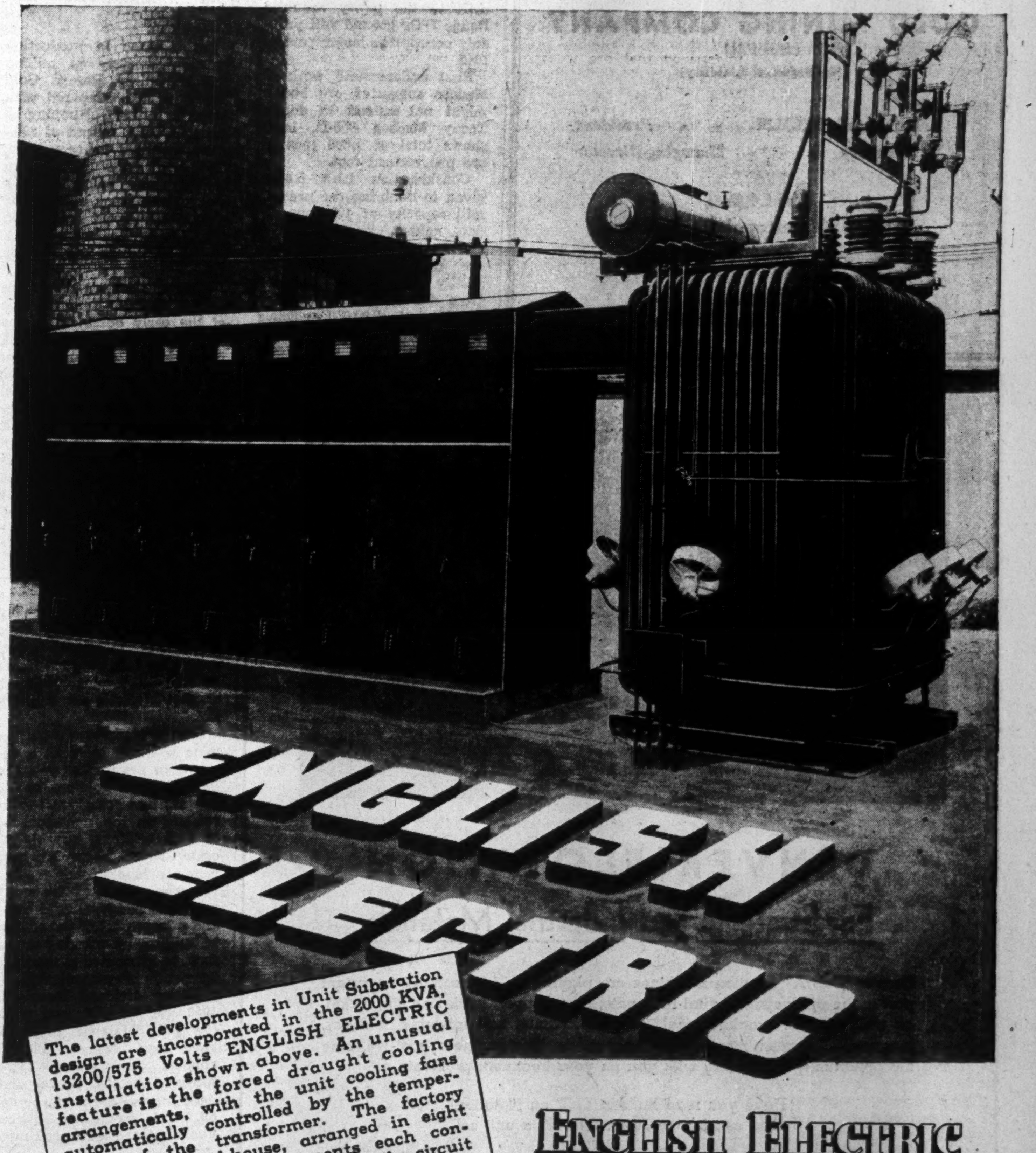

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42-C

New Discoveries Prove Red Lake Boon

Two Producers 'Casualties' But Other Mines Are Healthy

Last year in the Red Lake area was featured by two developments which were unfavorable and by several important developments whose importance is only now being really appreciated.

Red Lake lost two of its gold producers—Howey Gold Mines and Gold Eagle. Production continued at the Howey long after the mine was expected to be worked out and final cessation of operations came as little surprise.

The company has done very well in investments and sale of equipment is proving a little "gold mine" in itself. Gold Eagle may have ore in the McKenzie Red Lake shear at a great depth but directors decided to conserve resources awaiting McKenzie results at depth rather than to embark on a speculative depth exploration programme.

But last year brought out numerous interesting developments which promise well for the future. Madsen, McKenzie and Cochenour, for instance, can all claim new ore developments suggesting possible expansion. Hasaga has been expanding.

Pickle Crow, too, is opening up its new north mine and is carrying exploration to greater depth at its original mine workings.

McKenzie Red Lake

During the last two years, McKenzie Red Lake Gold Mines has had tremendous expansion in its ore resources. Discovery of the company's new "northeast mine" resulted in substantial increase in ore resources.

From lengths of ore reported opened up and lengths mined, it is known that a major expansion of ore reserves occurred.

But opening up of the new "northeast mine" has not ended expansion in ore resources at McKenzie Red Lake. Late in 1941 a new structure was disclosed in crosscutting at the 1,050-ft. level with a 31-ft. section, averaging $14.63 in diamond drilling, more than being confirmed by the crosscut. Opening of ore with a width of 30 ft.—or even more for a greater width was mineralized—is something new for McKenzie.

The year 1942 should tell its true importance. Possibly the new ore may be the downward extension of the 845 vein on the 850-ft. level. If so, it has shown a great increase in width.

Pickle Crow has embarked on a new shaft for its north mine. Officials feel optimistic about this sector's possibilities.

Red Lake lost its Pioneer producer in 1941 — Howey Gold Mines. But the company has important assets remaining and equipment sale has been a little "gold mine."

Production in 1941 was close to the $1,012,551 turned out in 1940 when 11 cents a share was earned. Average recovery the last two years has been running somewhat below what had been anticipated—around $11 to $13 a ton—and management states this may have to be taken as indicating a generally low average grade for the mine. Milling rate is 225 tons a day. Consideration has been given to increasing mill capacity but action has been deferred.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,935,000 sh.	$1

Price Range

	High	Low
1941	$1.32	$0.95
1940	1.47	0.85

Madsen Red Lake

Exploration is now proceeding at depth at Madsen Red Lake Gold Mines to open up on the new 950 and 1,100-ft. levels, new ore bodies found to apex at the 800-ft. horizon. Full exploration of the structure on the new levels and continuation of the 350-ft. level drift to the newly acquired Rouge D'Or ground will probably occupy the larger part of 1942.

First underground work at Madsen suggested ore bodies might not extend to depth. Today Madsen 850-ft. level shows total of 1,600 tons of ore per vertical foot.

Consideration has been given to doubling the present mill capacity of 400 tons. If development work on the 950 and 1,100-ft. levels stands up, ore reserves will probably justify expansion. Increase from 400 to 600 tons a day would cost $180,000, officials believe, and to double capacity to 800 tons would cost about $80,000 more.

At the beginning of 1941 ore reserves were estimated at 464,340 tons of 0.176 oz. grade.

Capitalization

	Author.	Outstand.	Par
Com.	3,500,000 sh.	3,499,528 sh.	$1

Price Range

	High	Low
1941	$0.76	$0.48
1940	0.70	0.20½

Cochenour-Willans

"Spreading out" has been a common experience for many Red Lake mines and Cochenour-Willans Gold Mines has been no exception. In an area 400 ft. northeast of the shaft, diamond drilling on the 275 and 375-ft. levels in the 1940-41 fiscal year indicated a number of ore bodies which compare with the best so far located.

On Sept. 15, 1941, John A. Reid, consulting engineer, estimated three years' probable ore supply with good probabilities of increasing this reserve. Milling rate has been stepped up to around 175 tons daily against average of around 150 daily in the 1941 fiscal year.

It is estimated that present equipment could handle 200 tons of ore daily and that capacity could be raised to 350 tons at small expense.

Earnings for the six months ended Nov. 30, 1941, totalled $159,289 or 5.4 cents a share. Working capital was $322,010 at May 31, 1941.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,961,655 sh.	$1

Price Range

	High	Low
1941	$1.04	$0.45
1940	1.00	0.31

Hasaga

An increase in production to approximately $1 million was shown by Hasaga Gold Mines in 1941 compared with $643,177 in 1940. Running at 325 tons daily, output of $90,000 a month is being secured. Operating costs have been running well below half of the gold recovery and a good margin of profit has been established. The mine is one of the largest in the Patricia area.

Most of Hasaga's shares are owned by Jack Hammell, one of the early operators in the Red Lake area and a leading figure in the development of Howey. Convinced that the Hasaga property had real possibilities, Mr. Hammell financed the sinking of a shaft and exploration. His judgment of the property's possibilities have now been confirmed and Hasaga today is one of the brightest stars in the Hammell orbit.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	2,875,006 sh.	$1

Howey Gold

While the stock market may not reflect it, Howey Gold Mines has important assets remaining following closing of its Red Lake mine. Holdings of East Malartic are substantial.

Sale of equipment from the mine is likely to offset a decrease in the market value of East Malartic holdings and it appears that "break-up" value remains in the neighborhood of $2.3 millions, roughly 45 cents a share. Howey has been generous in dividends the last few years — almost the entire net profit has been paid out—and a large part of the success in building up working capital must be attributed to the management's investment skill.

Howey dividend income in 1940 was $179,451, and while the East Malartic dividends have been lower in 1941, it appears that perhaps two-thirds of the 1940 Howey dividend income could be counted on. This would be between two and three cents per Howey share.

A total of 39 cents a share has been paid out in dividends by Howey and about 45 cents a share remains in liquid assets. Besides this, large loans for initial financing have been repaid.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	5,000,000 sh.	$1

Price Range

	High	Low
1941	$0.30	$0.18
1940	0.40	0.21½

McMarmac

Substantial operating profits were realized by McMarmac Red Lake Gold Mines during 1941 and advances from McKenzie Red Lake Gold Mines have been repaid.

With the mill doing 85 tons a day, output is running in the neighborhood of $550,000 per annum. With operating costs around $9 a ton, a good margin of operating profit is realized.

Approximately one year's ore was on hand at the end of last May. Lateral work has been started on new levels at 600 and 750-ft. depth.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,050,005 sh.	$1

Pickle Crow

Development continued to unfold the importance of Pickle Crow's new "north mine" during 1941 and a major development programme is anticipated for this area for 1942. Underground work has been confined to the 750-ft. level of the north zone, but an internal shaft is now being put down from the 750-ft. horizon to open the north area more fully at depth.

Diamond drilling has indicated a downward extension of ore in this zone to at least the 1,300-ft. horizon. At the main Howell ore sector, drifting on new deep levels has revealed approximately the same tonnage as on the upper horizon. Grade has been around $8 a ton.

To offset effects of treatment of lower grade ore due to decline in values in the Howell vein, high grade ore will be drawn from the "north mine" and it is planned to mill a larger tonnage. Production in 1941 was at approximately the same rate as in 1940 when earnings were 43 cents a share.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	$1

Price Range

	High	Low
1941	$3.10	$2.25
1940	4.25	2.12

Central Patricia

While 1941 was generally a year of unsettled conditions, Central Patricia Gold Mines was able to maintain its position, offsetting higher taxes and operating costs by slightly greater production. Earnings for the nine months ended Sept. 30, 1941, were 18.1 cents a share compared with 19.5 cents a share the year before.

While Central Patricia has substantial ore reserves, and a large amount of exploration remains to be carried out yet on the upper levels, an internal shaft is to be completed from the 2,050-ft. horizon down to 2,650 ft., giving four new levels for exploration.

Ore reserves at the end of 1940 totalled 437,979 tons or enough for three years' milling operations. The four bottom levels from the 2,050-ft. horizon up showed slightly poorer results from those above.

Capitalization

	Author.	Outstand.	Par
Com.	2,500,000 sh.	2,500,000 sh.	$1

Price Range

	High	Low
1941	$1.95	$1.25
1940	2.55	1.45

Uchi Gold Mines

Bringing Uchi Gold Mines out of its difficulties has proven a difficult job. When it appeared the original workings were short on ore, the company took over the Hanalda and Jalda properties and the old Grassett ground. Some ore has been mined at both the Hanalda and Jalda workings, but the Grassett property may be the most prolific new source of ore. A long ribbony vein on this property—the "Tapeworm" vein—carries fairly good values over narrow widths.

With operating profits insufficient to allow retirement of the bond issue, bondholders consented to an extension of the maturity dates to Dec. 31, 1946.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	4,033,344 sh.	$1

Price Range

	High	Low
1941	$0.39	$0.04½
1940	1.12	0.23¼

NAYBOB
GOLD MINES, LIMITED
(No Personal Liability)

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RICHARD N. CLARKE, Rochester........Vice-Pres.
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JOS. MONTGOMERY, Toronto........Director
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JOHN G. JONES, Rochester........Director
SHERMAN J. LePARD, Rochester........Director

Mine Superintendent—L. E. HANSEN
Consulting Engineers:
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Head Office
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Mine Office: TIMMINS, Ontario

NORTHERN CANADA MINES LIMITED

The Company is active in examining new properties of merit requiring development and financing.

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Head Office:
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KIRKLAND LAKE
GOLD MINING COMPANY
LIMITED
(No Personal Liability)

J. B. Tyrrell, M.I.M.M. - - President
V. H. Emery - - - Managing-Director

Head Office:
1312-1316 Metropolitan Building.
Toronto

Mine at
Kirkland Lake, Ontario

JASON MINES LIMITED
(NO PERSONAL LIABILITY)

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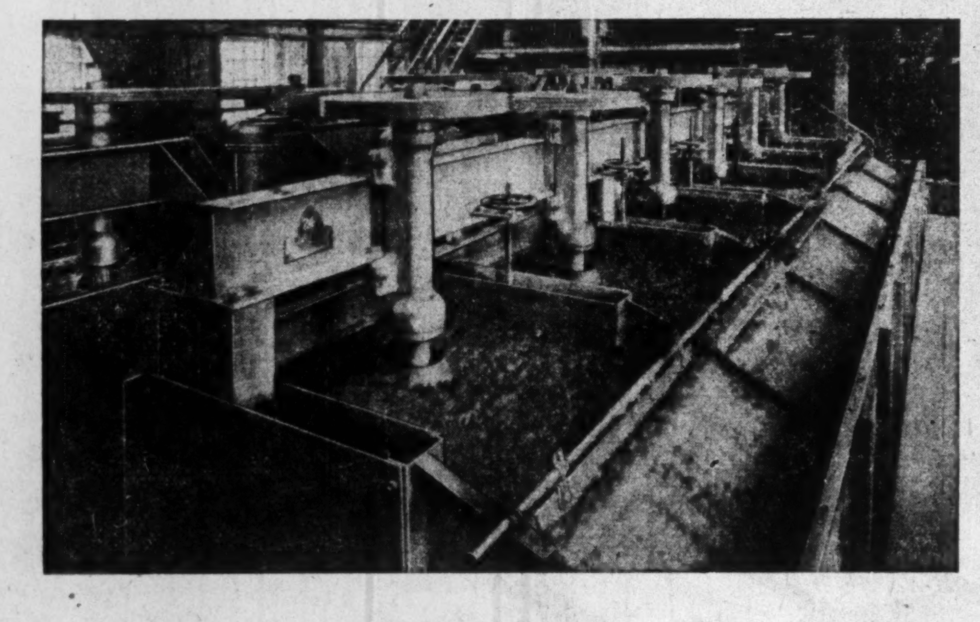
J. H. COLVILLE, Toronto, Vice-Pres. and Director
E. G. CLARKSON, Toronto, Director
E. G. JOY, Toronto, Director
SIR HENRY DRAYTON, K.C., P.C., K.B., Toronto, Director
C. N. HENRY, Toronto, Secretary-Treasurer

Mine Manager: C. RUTHERFORD, Casummit Lake.

PROPERTY: The Company's property embraces 987 acres at Casummit Lake in the Patricia district of Northwestern Ontario.
PROGRESS: To December 31, 1941, the mine has milled 70,955 tons of ore for a recovery of $1,163,478.80, or an average recovery of $16.40 per ton.

Head Office: 67 Yonge St., Toronto
Mine Office: Casummit Lake, Ont.



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The Outlook For Gold...

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Regardless of rumours that have caused a certain amount of discussion about the future of gold and the resultant effect on gold share prices, there is plenty of ground for optimism. That gold will continue to occupy its present position as a monetary base is the carefully considered view of U. S. Vice-President Wallace, expressed in an article in Atlantic Monthly for January, 1942. The alternative would seem to be a return to the barter system.

The United States has been the largest buyer of Canadian gold, and it has been thought by some that, as a result of the Hyde Park agreement, such purchases might be drastically curtailed for the duration of the war. This view is not regarded seriously by the majority of those interested. If this situation should arise, there is good reason for thinking that the Canadian Government would undertake to purchase the bulk of present domestic production so as to provide for financing its share of post-war international trade.

The outlook for gold, in fact, is for an increase in its value. One of the points of the Atlantic Charter calls for arrangements being made so that the raw materials of the world will be made available to all countries on equal terms. If this means anything at all, it means a considerable increase in the volume of trade after the war is over. It naturally follows that it will be necessary to increase the value of gold so as to adequately handle the increased volume of the exchange of raw and manufactured materials.

The investor in gold mining stocks can view the future without fear. Stock prices at present show a yield of 10% to 20%, which is so much out of line with other investments having no more assured future, that an increase in capital values is inevitable.

J. E. Hammell
JOHN E. HAMMELL.

Sudbury Presses Huge Expansion

Both International Nickel and Falconbridge to Step Up Production

Inside two or three years, International Nickel will spend an amount on expansion equivalent to cost of placing 30 new gold mines in production.

This is the Sudbury producer's answer on how we will get base metals to "beat Hitler."

Sudbury — Canada's greatest base metal producing area—will also be Canada's busiest metal producing area in 1942.

Major expansion is under way at the British Empire's greatest mining enterprise, International Nickel, and expansion is being completed too at its "companion in arms," Falconbridge Nickel Mines.

More work is either under way now or contemplated for other base metals properties in the Sudbury area than at any time in the last decade. A concentrator of 200 tons capacity is mooted for Ontario Nickel Corp. Nickel Offsets has exposed a large tonnage of nickel-copper ore; with some further lateral exploration consideration may be given to a mill. The Sudbury Basin and old Treadwell-Yukon properties may be re-opened. Prospecting has become more active.

Although Sudbury lost one gold producer in New Golden Rose Mines in 1941, it added a new and much larger one in Jerome Gold Mines, financed by Mining Corporation of Canada and Hollinger Consolidated. Renabie Mines—financed by Macassa—has put down a shaft two levels. Exploration of the ore deposit indicated by surface drilling is being carried out.

International Nickel

When the United States threw its industry into high gear behind the war effort, it became obvious that greater quantities of metals would be required than at any previous time. International Nickel Co. was one of the sources from which a tremendous increase in supply was sought.

Under the Hyde Park agreements, the company engaged to spend as much as $29 millions on expansion to the end of 1943 with a further $3 millions to be spent to the end of 1945. Special tax treatment is being provided the company by the Dominion government to recompense it for carrying out this great expansion

Although production and consumption of nickel in 1941 constituted new records (actual figures are not being released), it does not appear earnings of International Nickel in 1941 were quite as high as in 1940. In the first nine months of the year, earnings were equal to $1.66 a share, compared with $1.71 a share in the corresponding period of 1940. This slight decline of earnings in the face of record-breaking activity, may be attributed chiefly to a great increase in taxation—about 33 cents a share for the nine months.

Few details are being given out on International Nickel's operations in wartime. At least two old mines have been reopened — the Murray and Stobie.

Capitalization

	Author.	Outstand.	Par
Pref.	$27,679,900	$27,627,825	*
Com.	15,000,000 sh.	14,584,925 sh.	n.p.v.

*$5 & $100.

Common Price Range

	High	Low
1941	$38.25	$29.25
1940	47.00	27.50

Falconbridge Nickel

Finishing touches are being put on the Falconbridge Nickel expansion to raise ore treatment rate from 55,000 to around 65,000 tons monthly. Most of the company's nickel output is refined by International Nickel Co. of Canada, but some metal is being turned out which International Nickel cannot refine. Profit on this extra production does not run so great. Extra output, however, is looked on as Falconbridge's contribution to the war effort aside from steeply increased taxes.

Figures on ore reserves are not being released during wartime, but it appears that Falconbridge still has around 7 million tons of ore available at its main workings. An outstanding development of 1941 was indication of approximately 3 million tons of ore at a second property in Levack township in the same area. Ore in the new sector runs about 1.85% nickel and 1.25% copper, compared with about 1.75% nickel and .9% copper from Falconbridge mine proper. No immediate development plans have been made out for the new property, however.

Capitalization

	Author.	Outstand.	Par
Com.	5,000,000 sh.	3,337,507 sh.	n.p.v.

Price Range

	High	Low
1941	$3.90	$1.97
1940	5.00	1.75

Jerome

A mine over towards Porcupine on the outskirts of the Sudbury area, Jerome Gold Mines came into production with a 500-ton mill on August 18, 1941. Although grade of ore milled may run comparatively low—around $7.25 per ton—average costs are not expected to exceed $4 on a working basis and the management anticipates substantial operating profits.

With engineers of both Hollinger Consolidated and Mining Corporation superintending the job, the Jerome Mine was in an advanced stage of development when milling commenced. Levels at 200, 350 and 500 ft. have been well opened up with 600,000 tons of ore estimated down to the 500-ft. level. Work is just getting well under way on new levels at 650 and 800 ft. depth from which encouraging results have been secured.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	3,000,000 sh.	$1

Ontario Nickel

Plans of Ontario Nickel Corporation call for placing the company's property into production on a 200 tons per day basis with concentrates to be shipped to a smelter. New financing will be necessary although the company has some cash on hand for its proposed programme.

In previous work, a shaft was sunk to a depth of 250 ft. and officials state that there is approximately 100,000 tons of ore readily available with an additional 300,000 tons of probable ore.

Capitalization

	Author.	Outstand.	Par
Com.	6,000,000 sh.	2,959,192 sh.	$1

Price Range

	High	Low
1941	$0.15	$0.07½

Lake Geneva

After being shut down from March, 1937, Lake Geneva Mining Co. resumed operations with its 100-ton mill in August, 1941. While not a large operation, the company re-commenced milling with around 73,700 tons of ore running 4.24% lead and 11.3% zinc, plus additional values in gold and silver. This was ore blocked out and indicated by drilling to 50 ft. below the 235-ft. level.

Concentrates are to be marketed in the United States. Finances have been provided by parent company, Towagamac Exploration Co.

Capitalization

	Author.	Outstand.	Par
Com.	1,500,000 sh.	1,250,000 sh.	$1

Nickel Offsets

Following diamond-drilling which indicated 359,603 tons of ore in three ore shoots with a gross metal content of $6.5 millions, Nickel Offsets sank a shaft to the 500-ft. horizon on its property, Foy and Boswell townships, Sudbury district, Ontario, in 1941. The 1942 programme will be concentrated on opening showings at depth allowing formulation of production plans.

Officials are inclined to regard the ore reserve figure mentioned as a minimum rather than a maximum. Drilling actually indicated greater ore lengths than those used in estimating ore reserves.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	1,635,160 sh.	$1

Smelters Still the Backbone of B. C. Base Metal Output

Production of base metals from British Columbia's non-ferrous metal mines continues at an "all-out" rate with prospects of even greater output in 1942 than in 1941. An important new fact in the base metal situation as far as British Columbia is concerned, is the tremendous demand for metals which has developed in the United States. It is now possible to secure exceptionally high prices for zinc and lead concentrates in the United States and while most of these concentrates are at present treated inside British Columbia, increased concentrate production may yet mean considerable export trade.

The possibility also exists that at least one mine—Reeves-Macdonald—may be financed into production by United States government money through Pend Oreille Mines and Metals Co., an American concern in which Canadians are interested. There is no doubt about the demand for further base metals existing. The only question is "will the price be high enough and will the demand last long enough to justify opening of new mines?"

There is at present no copper smelter in operation at British Columbia and the two main producers of this metal—Granby Consolidated and Howe Sound — continue to market their concentrates in Tacoma, Washington.

British Columbia's contribution in the war metal field has been an important one. One company alone — Consolidated Smelters—is turning out a total of 10 different metals, many of which are of strategic importance to the war effort. Prospecting for war metals has largely supplanted the search for new gold mines and with the shortage of war metals greater than ever, no let-up of interest in the strategic mineral field is in sight.

Consolidated Smelters

Few if any Canadian companies can equal the war effort of Consolidated Mining and Smelting Co. Since the outbreak of hostilities, the company has undertaken to erect and operate several plants for the Dominion government with no profit from either erection or operation.

Besides this, the company has made important strides in the turning out of additional metals needed for the war. To the important production of mercury now being turned out, has been added an expected 500 tons of refined tin annually which amounts to approximately 15% of Canada's requirements.

Consolidated Smelters has also started to turn out tungsten and may produce magnesium, the former important in manufacture of machine tools, the latter in increasing demand for fabrication of airplanes and pyrotechnics.

Production of base metals is a wartime secret. It is believed, however, there was no great change in the total value of British Columbia output in 1941. This suggests that Consolidated Smelters 1941 output was perhaps not far from that of the previous year. The increased demand for lead and zinc only arose in the latter part of 1941; in 1942 a marked increase in output appears likely.

Earnings in 1940 were equal to $2.77 a share with $2.25 a share paid in dividends. Distributions in 1941 totalled $2.50 per share.

Working capital position has been progressively improved in recent years. At the end of 1940, net current assets totalled $13.7 millions.

Capitalization

	Author.	Outstand.	Par
Com.	4,000,000 sh.	3,276,329 sh.	$5

Price Range

	High	Low
1941	$41.37	$31.75
1940	49.00	28.50

Granby Consolidated

Operations at Granby Consolidated Mining, Smelting and Power Co. today are a long cry from those when the company resumed production in 1937. Earnings are running close to $1.50 a share as contrasted with loss of 14 cents a share in 1937 and a profit of only 50 cents in 1938.

Ore reserves have been increased each year since 1937. At the end of 1937 they were equal to 10.6 million tons of ore grading 1.45% copper. By September 30, 1941, however, reserves totalled no less than 17,094,901 tons averaging 1.32% copper.

Eventually Granby may establish its own smelter in British Columbia, but this does not appear likely so long as present arrangements can be continued in the United States. The company's debentures have been gradually reduced to $274,700.

Production is understood to be currently at the rate of approximately 4,500 tons a day.

Capitalization

	Author.	Outstand.	Par
Com.	600,000 sh.	450,261 sh.	$5

Howe Sound Co.

With increased supplies of copper being sought, operations at Britannia Mining and Smelting Co., a wholly-owned subsidiary of Howe Sound Co., have continued at a high level. The Britannia concentrator has a capacity of 6,500 tons of ore daily

With no smelter available for smelting concentrates in British Columbia, Howe Sound ships its output to the United States where concentrates are treated on a customs basis under long-term contracts and at fixed rates. The main adit haulageway at the 4,100-ft. level has been driven approximately three miles and a tremendous tonnage of ore has been developed off it in past years.

Capitalization

	Author.	Outstand.	Par
Com.	600,000 sh.	495,591 sh.	$5

Base Metals

Milling operations at Base Metals Mining Corp. may draw to a close within a comparatively short time unless some new source of ore—or an extension to one of the present ore sources—is found. Late in 1941, ore coming from the Monarch mine was chiefly taken from pillars and from small offshoots from the old worked-out ore bodies. As much exploration as possible is being done.

Financially, the position of Base Metals has been considerably improved. A bank loan of $90,000 outstanding at the end of 1940 had been entirely liquidated by June, 1941. The Kicking Horse mine has proved a better source of ore than the Monarch mine in recent months, but here too exploration has not been giving the hoped for results.

Capitalization

	Author.	Outstand.	Par
Com.	3,000,000 sh.	2,330,714 sh.	n.p.v.

Price Range

	High	Low
1941	$0.14	$0.07
1940	0.33	0.07

Zincton Mines

Production at the Lucky Jim mine in the Slocan district of British Columbia was resumed on May 3, 1941, by Zincton Mines, a wholly-owned subsidiary of Sheep Creek Gold Mines.

The management anticipates satisfactory profits from treatment of approximately 200 tons of ore daily

Some time ago ore reserves were estimated at 127,900 tons, averaging 13.4% zinc with the downward extension of the ore body unexplored. Drilling since then has cut 10 feet of good ore on the tip of the lens about 400 feet from the present workings.

Capitalization

	Author.	Outstand.	Par
Com.	10,000 sh.	*	$1

*All held by Sheep Creek Gold Mines.

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Ontario MINING and Ontario HYDRO

MARCH FORWARD SIDE BY SIDE

TEN YEARS OF PROGRESS

1929		1939
$84,000,0000	MINE PRODUCTION	$208,000,000
5,000	HYDRO HORSEPOWER FOR THE MINES	405,000

IT seems only a little while ago that the trek of the mining prospector into Ontario's northlands began. Hard upon his heels followed Ontario Hydro's prospector for power. Between them they unleashed a flow of wealth and electrical energy which has grown in value and volume until it can now only be appraised in astronomical figures.

Only twenty years ago, Hydro's stake in northwestern Ontario consisted of a single generating plant of 5,000 horsepower. It was on the English river at the foot of lac Seul. Hydro's sole customer for mining power in the north was the Howey Gold Mine. The following decade registered phenomenal Hydro development.

FAMOUS NAMES IN MINING

In April, 1930, International Nickel Company began to take delivery of 16,000 Hydro horsepower. This was Hydro's first major contract in the north. "Nickel" now takes approximately 75,000 horsepower from Hydro.

Through the years, the story of Ontario mining and Ontario Hydro power development have been written side by side; Sudbury — Porcupine — Kirkland Lake — Matachewan — Larder Lake — all were developed with electric power. By 1933, Hydro power had been made available for mining properties in every area of the Province in which such operations were active: Patricia — Thunder Bay — Sudbury — Porcupine — Red Lake.

AN AMAZING RECORD

In 1930, Hydro's power-plant investment in mining service was $3,300,000. In 1941, total capital commitments are something like $40,000,000. Hydro is serving 50 mines. There are 9 generating plants with combined installed capacity of 475,000 horsepower. Over 60% of this is available for mining operations. Almost 25% of Hydro's total capacity of 2,000,000 horsepower is developed and used in Ontario's northern mining districts.

GEARED FOR VICTORY

In the three decades of its existence, Hydro has progressed from strength to strength; winning and consolidating by the merit of service rendered, the position it holds in the confidence of the citizens of Ontario.

In the first world war, Hydro rendered invaluable service to Ontario's effort. Now, when much greater reliance is being placed upon mechanized equipment and the basic products of our metal and mineral industries, Hydro and the northern mining industry bulk even larger in Canada's war program. Both are indeed vital to victory.

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Mine Share Yields at New High

Recent Trend Affects Juniors and Seniors Alike

Recent declines in mine share prices have brought dividend returns on gold mining stocks generally to their highest level of recent years.

In the precipitous market decline following the collapse of France in June, 1940, prices of many gold issues fell more sharply than in recent weeks but "seniors" were affected much less than juniors.

The recent decline has been more widespread if not so spectacular and has affected junior and senior gold stocks alike.

Kirklnd Strike a Factor

Several dividend reductions have been announced in the last two weeks but the decline in the market prices of stocks appears to have more than matched the reduction. Perhaps half the dividend cuts were partially due to the strike in the Kirkland Lake area which has now been settled.

Gold stocks often act in concert and reduction in dividend by one senior gold stock may be followed by the selling of other issues. Dome recently cut its dividend from 50 to 40 cents a quarter. This news was followed by selling not only of Dome but also of Hollinger in the same camp. With Hollinger selling down to $6.75 a share, the yield has been stepped up to 16.3.%—almost double the yield available on this issue a year ago.

Bralorne Yield Mounts

Out in British Columbia, the province's leading gold producer, Bralorne Mines has sold at as low as $7.85 a share. At this price the stock yields over 15%. Bralorne is noted in the west for its substantial ore reserves just as Hollinger in the east.

While McIntyre Porcupine, in the same camp as Hollinger and Dome, has not marked up a similar decline—a possible reason for this is seen in its exceptionally strong earning-dividend situation and the treasury position which almost takes it out of the straight gold mine category.

Sheep Creek Yield 26.7%

Dividend yields on junior golds, which were relatively high before the sell-off, have mounted further. Sheep Creek Gold Mines at 75 cents a share and paying 20 cents per annum in dividends yields 26.7%. Broulan, which paid 9 cents a share in 1941 has reached 40 cents a share where the yield at the same dividend rate would be 21%.

Chesterville Larder Lake, which has been reported considering doubling capacity following interesting ore disclosures at depth, paid 15 cents a share in 1941. At $1 a share, the current yield is exactly 15%. At $2 the yield on Pickle Crow at its new 30 cents a share dividend rate is also 15%.

At 39½ cents a share, Leitch shows a yield just over 20%. Selling at 80 cents and paying 16 cents a share a year, Beattie Gold Mines is another 20% yield stock. Teck-Hughes which has been paying 40 cents a share per annum at close to $2 a share is yielding close to 20%.

Holding Companies Return More

Yields on holding companies have been showing increases along with those on gold stocks. Coniagas which paid 17½ cents in dividends in 1941 sold down to $1.15 a share this week. Nipissing — a large Beattie shareholder—at 95 cents a share is selling at better than a 15% dividend yield on the 15 cents a share it has paid the last few years.

Ventures seems to have settled on a 40 cents a share per annum dividend basis. This means a yield of well over 10% at a price of $3.30 a share. Premier Gold Mining Co., which last year reduced its dividend rate to 8 cents a share is selling on a 16% yield basis at its low of 50 cents a share.

Mining INVESTMENTS

The B. C. Legislature, as expected, is modifying its Securities Frauds Prevention Act to the extent of permitting appeals from the decision of the administrator to the law courts. A similar step was taken in Ontario some time ago, securing approval of both investors and financiers.

In the past the only recourse of litigants under the B.C. Act was to appeal to the attorney-general, whose decision was final. The new attorney-general, R. L. Maitland, agreed to amend that provision, declaring that he had no intention of dictating to the industry.

* * *

Magnitude of International Nickel's extensive plant brought comment from Hon. C. D. Howe, Minister of Munitions and Supply, who has just completed a visit to the Sudbury area in connection with the victory loan drive. Standing atop a pile of vital war metals, Mr. Howe praised Nickel Belt workers for the war contribution they are making.

Mr. Howe visited the great Frood mine of International Nickel Co., and Falconbridge Nickel Mines.

* * *

Treadwell Yukon Corp., which once operated the Errington mine at Sudbury and later the Bussieres Mine in Quebec, plans to distribute its assets subject to approval of shareholders. Loss of operating personnel, the ability to borrow funds for the continuous operations, disturbed world conditions and the small likelihood of an increase in the present price of silver, were factors considered.

If approved by shareholders at a meeting April 20, Canadian cash holdings of 23 cents a share, less liquidation expenses, will likely be returned to shareholders. The U. S. cash balance of approximately 10 cents a share must be held pending outcome of U. S. income tax claims.

* * *

Nabco Manganese reports sale of its first commercial output from its property at Gowland Mountain, N.B. Five carloads of a metallurgical grade have been shipped from the property, near Elgin, N.B., to a Canadian manufacturer of ferro-manganese at Welland. The approximate price of the shipment is $5,000.

It is reported, unofficially, that the grade produced by the new Nabco mill is quite satisfactory. It is stated to represent the first major manganese contribution to the Canadian steel industry.

Operations at the Nabco mine have been handicapped by a water shortage caused by the severe weather. With milder weather, it is expected to go on a 24-hour basis.

Sullivan Consolidated Mines has declared of 3 cents a share payable Mar. 16, 1942, to shareholders of record Feb. 18. Ex-dividend date is Feb. 17. Last previous distribution was 2½ cents a share Nov. 15, 1941. to shareholders of record Oct. 15.

Steep Rock Elects Head Plans Said Progressing

A change in officials has been effected by Steep Rock Iron Mines this week, The Financial Post can announce. General D. M. Hogarth, a director, has been appointed president, succeeding the late Joseph Errington, Col. G. G. Blackstock has been appointed assistant to the president and W. Samuel, consulting engineer, has been appointed a director succeeding Mr. Errington. Chas. W. McCrea, a director, assumes the post of vice-president.

While details of negotiations remain secret, it is understood that further progress toward development of the Steep Rock deposits has been made recently.

D. M. HOGARTH

Classification of Steep Rock as a war industry has been one of the remaining details to be worked out. A formal request for such classification is going to Ottawa and a satisfactory ruling is expected.

Negotiations for placing Steep Rock in production have been by far the "most monumental" with which he has been connected, an official spokesman says.

Mr. Errington in the past concerned himself more with the technical end of the business and effect of his death on company development cannot now be evaluated. Mr. Errington's voting trust certificates are lodged with the trustee Russell Bradshaw and his death does not alter control of the company except that it will now be somewhat more centralized. It is thought that if any liquidation is necessary, this will probably be done through private sale. It is suggested that liquidation on the stock market of any holdings is highly improbable with market conditions as they are.

Pickle Crow Feels Increased Costs

Temporary reduction in Pickle Crow Gold Mine dividends from 40 to 30 cents a share is announced by President J. E. Hammell. Mr. Hammell states the reduction was forced on the company by tax and wage increases which amounted to 10.5 cents a share in 1941 over 1939.

Consideration was given to either increasing capacity to offset higher costs or to meeting the old dividend rate from surplus but government regulations make either of these things difficult if not impossible, it is stated.

Dividends of 10 cents a share have been declared payable April 30, August 31 and Dec. 31.

Position of mine and liquid assets has never been better, Mr. Hammell states. Development in the north zone is seen as offsetting the decline in Howell vein values. Liquid surplus of the company is $850,000.

A comparison of 1941 and 1939 results is as follows:

	1941	1939
Tons hoisted	175,669	158,148
Ounces produced	70,989	79,592
Bullion	$2,736,169	$2,902,154
Per ton hoister	$15.58	$18.35
Taxes per ton	$2.93	$1.96
Taxes per ounce	$7.24	$3.90
Total taxes	$514,371	$310,270
Cost per ounce	$21.68	$15.03

Jason Profits Near $300,000

Recent Drifting 60% in Ore of Average Mine Grade

Completing its first full year of milling, Jason Mines reports an operating profit of $282,393 for 1941 including $76,503 for the final quarter of the year. In the last half of 1940 a net profit of $135,474 equal to 5 cents a share had been realized.

Production of $200,420 from 12,041 tons of ore in the fourth quarter of 1941 was slightly below schedule due to Christmas holidays and a slightly greater loss than usual for mechanical repairs. Jason production for the year was $766,708 from 48,226 tons of ore, an average recovery of $15.90 a ton.

Drifting 60.4% in Ore

Underground development in the three months ended Dec. 31, 1941, totalled 34.5 ft. of shaft sinking, 470 ft. of crosscutting, 326 ft. of drifting, 21 ft. of raising and 908 ft. of diamond drilling. Of the drifting 197 ft. or 60.4% was in ore of average mine grade.

At the No. 1 shaft, the known ore length on the 400-ft. level was increased by extension of the principal drift. Working on the 2nd and 5th levels inclusive provided 57.2% of mill tonnage.

In the No. 2 shaft area, development and stoping operations were carried out on the 2nd, 3rd, 5th, 6th and 7th levels, yielding 42.8% of milling requirements. Additional length was added to the new ore shoot located on the north extremity of the 5th level.

Stocks of materials and supplies essential to operation have been increased against possible contingencies.

As at Dec. 31, 1941, liquid assets amounted to $202,601, against current liabilities of $45,398, leaving working capital of $157,203. This is exclusive of $30,000 of bonds on deposit with the Hydro-Electric Power Commission. Next April, power costs are scheduled to come down from $65 to $35 per h.p.

Proved ore reserves at the end of 1941 are reported at 60,000 tons averaging 0.45 oz. gold per ton.

The Week In Oils

1941 Output a Record

From Our Own Correspondent

CALGARY.—The Alberta oil industry's final returns for the year 1941 were announced this week. As has been the case for the past five years, the 1941 returns reflect the steady growth of the important Prairie industry. New all-time records were set for both production and returns to producers.

Year 1941 shows a production gain of 1,415,406 bbls. and a revenue gain of $3,306,459 over the former record year, 1940.

For the full year 1941, Alberta's crude oil and natural gasoline production amounted to 9,908,643 bbls. with a total return to producers of $13,809,708. The year 1940 showed production of 8,493,237 bbls. with a return of $10,503,249. In 1939, production amounted to 7,594,411 bbls. while returns to producers were only $9,261,583.

* * *

Drill 30 Turner Wells

The number of Turner Valley drilling wells stood at 30 early this week, with completion of one well and the spudding in of the three the past few days.

The new completion is Miracle Royalties No. 2, north extension test located in L.S.D. 6 4-21-3w5 quarter of a mile north of Miracle No. 1, one of the field's largest producers. No. 2 completed drilling at 7,748 ft., 498 ft. in the Madison lime, after penetrating thick upper and lower porous zones showing quite satisfactory porosity. The well was expected to go on initial production test this week.

The three new wells spudded are in the north extension area, north and west of the field's present most northerly producer, Atlas-British Dominion No. 2.

They include: Northcross Incomes No. 1, in L.S.D. 8 15-22-4w5, backed by eastern Canadian interests and being drilled under contract by Atlas Drilling Co.; Admiral No. 1, L.S.D. 12 27-22-4w5, also backed mainly by eastern interests and being drilled under contract by General Petroleums; and Adanac Petroleums No. 1, in L.S.D. 10 19-21-3w5, backed by Pacific Coast interests

* * *

Four New "Majors"

Major Oil Investments Ltd. announced four new locations for the north extension this week, all in the south half of township 22 range 4w5. The new wells, and their locations are: Major No. 13, L.S.D. 4 1-22-4w5; Major No. 14, L.S.D. 14 2-22-4w5; Major No. 15, L.S.D. 6 2-22-4w5; and Major No. 16, L.S.D. 12 11-22-4w5.

To date, drilling contracts have been let for two of these wells, Major Nos. 13 and 14, to Synder & Head Ltd., on a turnkey basis of $180,000 on a depth of 8,200 ft. The first well to start will be Major No. 14, using the heavy duty rig last used at Major No. 3.

Mining Concentrates

Leitch Gold Mines showed an increase in net quarterly profit to $81,694 or 2.9 cents a share last quarter of 1941 compared with 2 cents the preceding quarter and 1.9 cents corresponding quarter 1940.

* * *

Sudbury Basin Mines has declared dividend 2½ cents a share payable Mar. 31, 1942, to shareholders of record Mar. 12; ex-dividend Mar. 11.

Ventures Ltd. has declared dividend of 10 cents a share payable Mar. 31, 1942, to shareholders of record Mar. 10; ex-dividend Mar. 9. Dividend is subject to approval of Foreign Exchange Control Board. A similar dividend was paid Dec. 30, 1941.

* * *

Wright-Hargreaves Mines has declared its regular quarterly dividend of 10 cents a share payable April 1, 1942, but has omitted the extra dividend of 5 cents a share previously paid with each quarterly dividend. The interim payment made Jan. 15 or Feb. 1 in recent years has also been omitted in 1942. Earnings were affected by the strike in the Kirkland Lake area and by increased taxes.

* * *

Lake Shore Mines has declared a dividend of 20 cents a share, payable Mar. 16 to shareholders of record Mar. 12. Ex-dividend date is Feb. 27. Last previous quarterly distribution was 35 cents a share Dec. 15, 1941. Reduced distribution reflects the strike in Kirkland Lake, now settled. Company policy calls for paying dividends according to current earnings and with the strike over, it is quite posible that next distribution will be larger.

MINERALS USEFUL IN WARTIME

TUNGSTEN
MANGANESE
ANTIMONY
MOLYBDENUM

Occurrences of these minerals, which are now in demand for munitions manufacture, have been discovered in Nova Scotia. These await exploration and development.

For more detailed information, write

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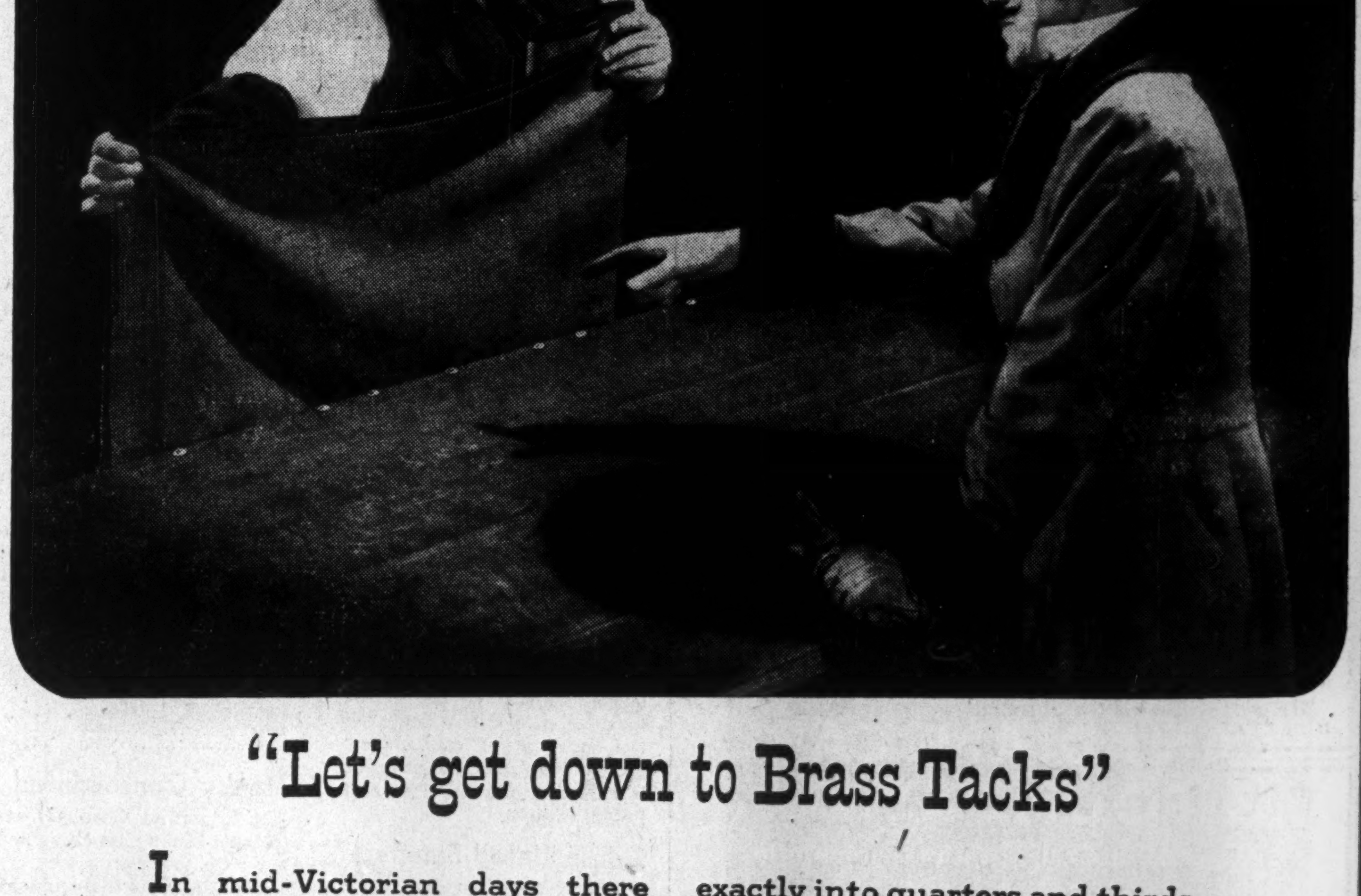

"Let's get down to Brass Tacks"

In mid-Victorian days there used to be a good deal of guesswork about goods. Hence the origin of the saying, "Let's get down to brass tacks"... meaning the brass tacks which were set into store counters to divide a yard exactly into quarters and thirds. It's easy to "get down to brass tacks" in judging Jenkins Valves . . . there's never been any guesswork about their value . . . accurate records prove that they cost less per year of service.

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Canada Getting Real War Metal Sinews

Laboratory Links in With Prospector in Fight for Strategic Mineral Self-Sufficiency

A striking new development of Canadian natural resources seems in prospect due to the direction the war has taken.

Canada has long been noted for the variety of its mineral wealth, but for years the accent has been on gold and base metal mining. Other minerals were known to exist, it is true, but they were passed by—they failed to stir the public imagination.

Today lesser known minerals are really stirring Canadians' imagination — and will likely continue to do so. Surprising new developments are taking place. Often they are the product of the laboratory just as much as the prospector in the field.

Magnesium, iron, aluminum, tungsten and manganese are but a few of the metals that may become of importance and of new significance to Canada's economy. Canada is to become a producer of magnesium using a new "all-Canadian" recovery process. Iron is in the spotlight as even the huge United States iron sources are unable to cope with the tremendous demand arising out of the war. Canadian engineers have almost concluded their research for extracting aluminum from Canadian ores — in case of necessity. Tungsten is now flowing from perhaps a dozen Canadian mines — either as the main metal produced or as a by-product of gold mining.

In New Brunswick, Canada has a new manganese producing enterprise — Nabco Manganese. On the Magdalen Islands, Gulf of St. Lawrence, other manganese occurrencies are expected to get testings.

Entry of Japan into the war and the consequent greater threat to our shipping is, if anything, causing a tremendous step-up in the war metal hunt. While prospectors did not often hunt for certain rare war metals in the past, they often noted their occurrence and a scanning over of old records has yielded surprising results.

By the time the war is over, it would not be surprising to see the list of minerals turned out in Canada close to doubled. Mineral output will be greatly diversified; new techniques of production worked out will have an important post-war effect on our entire economy.

Let us take a look at just a few of our important new metals:

Magnesium

A total of 10 tons a day of magnesium is to be turned out from the plant of **Dominion Magnesium Co.**, being erected by the government at a cost of $3 millions.

The plant is being erected near Renfrew, Ont., and will use a dolomite deposit, exceptionally pure in character, as its source of raw material for producing magnesium. Magnesium is particularly important to the United Nations' war efforts for manufacture of flares and aircraft parts. It is a third lighter than aluminum.

Erection of a second magnesium-producing plant by **Consolidated Smelters** was announced by the Dominion government some time ago, but action on this has been deferred. If it is decided to go ahead with this project, location is expected to be in eastern Canada using Canadian ores.

Dominion Magnesium has been financed by Bobjo Mines, Ventures Ltd., Sudbury Basin Mines, Fahralloy and Moneta Porcupine Mines.

Iron Deposits

Canada — and Labrador — now seem rich in iron, not just low grade iron deposits but deposits of high grade hematite, free from undesirable impurities.

Below the waters of Steep Rock Lake, **Steep Rock Iron Mines** has disclosed hematite ore bodies containing possibly hundreds of millions of tons of high grade iron. While final details are being settled as to the opening up of these ore bodies from surface by a partial draining of Steep Rock Lake, drilling is being continued using six drills. In the past two or three years, a tremendous footage of drilling has been completed showing the vertical characteristics of the company's main ore body and its uniform iron texture.

In the Michipicoten area, **Sherritt Gordon Mines** and its associates are planning to put a shaft down at the Josephine iron mine of Michipicoten Iron Mines which they control. Drilling has outlined a body of hematite iron ore which is amenable to a concentrating process worked out.

Algoma Steel is Canada's only present iron producer, turning out iron ore sinter from its Helen mine in the Algoma district.

Tremendous indicated iron ore deposits in Labrador are due to get a testing shortly, it is understood. **Hollinger Consolidated Gold Mines** has arranged to finance **Labrador Mining and Exploration Co.**, which holds title to these deposits. The fact that the deposits are located in a very outlying sector and a railroad might be required to transfer ore prevented these deposits from being developed in the past. However, the tremendous demand for iron ore which has arisen in recent months has brought interest once more into Labrador iron possibilities.

Aluminum

Nepheline syenite, anorthosite and other Canadian minerals have a high aluminum content, but so far Canada's producing aluminum industry —and those in other parts of the world — have confined themselves to the use of bauxite.

Bauxite has been the only ore from which the aluminum could be extracted commercially.

Since the war, experiments have been carried on both in Canada and the United States, looking to extraction of aluminum from other ores. **Aluminum Co. of Canada** and **Ventures Ltd.** engineers have developed a new process which it is believed will allow extraction of aluminum from ores other than bauxite. Reports have it a deposit has been located in Canada from which aluminum might be extracted if our present supplies of bauxite were challenged.

Tungsten

Tungsten—an essential metal for manufacture of machine tools—is now being produced at a number of Canadian properties. In British Columbia, **Consolidated Smelters** recently brought into production its **Red Rose** tungsten property. **Consolidated Nicola** plans to install equipment for recovery of tungsten. **Bralorne** has found tungsten in its gold veins and is now turning out the war metal. Several smaller mines in British Columbia are turning out the metal.

In the North West Territories, many tungsten-bearing veins have been located. **Slave Lake Gold Mines** has demonstrated a considerable tungsten content in its ore and some tungsten concentrates have been shipped.

In Ontario, **Hollinger Consolidated** has been turning out tungsten for some time and a $50,000 mill is being erected for recovery of tungsten from Hollinger ore and ores from other porcupine mines such as **Preston East Dome.** **Little Long Lac** is installing equipment for recovery of tungsten.

Many other Ontario mines are examining their workings for possible production of the needed war metal.

Manganese

At Gowland Mountain, New Brunswick, **Nabco Manganese** commenced production of manganese concentrates late last year. Other operators are active in the same district and it is possible that manganese —necessary as a deoxidizer and scavenger for steel—may be turned out in still larger quantities from this district.

In the Gulf of St. Lawrence, **Magdalen Manganese Mines** holds a manganese deposit on Magdalen Islands which it is planning to test by diamond drilling. Showings of manganese are widespread in these islands and old records reveal samples with a high manganese content were taken on the islands many years ago.

With manganese No. 1 strategic war metal, it is possible the manganese search may be intensified across Canada. It is recalled that **Labrador Mining and Exploration Co.** has one iron deposit with considerable content of manganese.

Other "War Metals"

Chrome—the ore of chromium—is being turned out at a property in Quebec by Chromite Ltd. Beryllium showings have been located in Renfrew Co., Ont., and in Manitoba. Molybdenum is being turned out from the Moss mine of Quyon Molybdenite in Quebec. Numerous other metals are finding attention.

Why Mine Output Still On Way Up

Remarkable growth has characterized Canada's mining industry since the outbreak of war. From 1938 and 1941 output has grown $110 millions in value, rising from $442 millions to $554 millions.

Despite this already remarkable achievement of the Canadian mining industry, still greater things are indicated for the future. Difficulties beset the mining industry—shortages of labor and supplies—but these are not expected seriously to slow down progress in this, Canada's second greatest industry.

Emphasis in wartime is naturally on increased production of base metals of which there is an acute shortage; and on strategic minerals which we formerly imported from abroad but which now, in many cases, are cut off. Gold mining plays a major role on the financial front. Gold production is expected to continue not far from the present level ($205 millions in 1941).

Approximately $40 millions is currently being spent on expansion of base metal producing facilities in Canada. Our production of the four common non-ferrous metals showed a $10 millions increase in value at $166 millions in 1941. But this increase is expected to be relatively small beside the increase ahead in the future.

Canada is embarking on a plan to turn out 10 tons of magnesium daily. This alone will mean an added yearly output of millions. And this may be just the beginning.

Progress in production of other metals depends largely on the length of the war. Research has already done wonders. It may be further reflected in an ever-growing output of metals. The curve of gold production has tended to flatten out in recent months, but it appears this is to be offset by the rising curve of output of special war metals—tungsten, chromium, manganese, molybdenum. In dollar value, our production of metals other than the four common non-ferrous metals, gold and silver, was relatively small at $14.4 millions in 1941. Strategically speaking, it was most important. Production of many metals really just began to get well under way late in 1941. Already it seems safe to predict new output records for tungsten, magnesium and manganese in 1942 with important increases expected in chrome ore and molybdenum briquettes.

Some increase in iron production may take place in 1942 but it will probably not be until 1943 or1944 that production from any property other than Algoma Steel's Helen mine can be expected.

Mining Enquiries

MacLeod-Cockshutt

With MacLeod-Cockshutt Gold Mines emerging from under the tax "umbrella" afforded new mines, can you give me some information on what their profits will run on the new basis?

During the fiscal year ended Sept. 30, 1941, MacLeod-Cockshutt Gold Mines was liable for excess profits tax at the rate of 22% of operating profits but did not have to pay the corporation tax of 18% of operating profit. Now the company must pay both but in each case there is, of course, the allowance of one third of operating profits as depletion.

Last year if the company had paid both tax rates, net profits would have been equal to 15.2 cents a share instead of 17.8 cents a share.

While earnings were 17.8 cents a share in the fiscal year ended Sept. 30, 1941, you will notice that dividends paid out of profits for that period amounted to only 10 cents a share. In the calendar year of 1940 the company paid 20 cents a share and one dividend of 10 cents a share has been paid for 1941.

With higher production, it seems normal to expect considerably higher profits for MacLeod-Cockshutt Gold Mines in the next fiscal year. Application of the corporation income tax may possibly offset the increase to a degree, but should not have the effect of reducing net profit by more than 12% of what it would otherwise be.

Hollinger vs. Teck

Hollinger Consolidated shares have formed one of the important items of my investment portfolio for a considerable number of years. One of my friends here in the United States has suggested I might be well advised to sell and purchase shares of Teck-Hughes Gold Mines which show a much higher yield at present. What do you think of this proposition? Do you think this would be a wise step or are there things to be said on the other side?

There are several reasons why Hollinger Consolidated Gold Mines might be considered in a somewhat better position than Teck-Hughes Gold Mines at this time. A considerable proportion of the miners at Teck-Hughes went out on strike on Nov. 18 and while the strike has since been settled, it has been decided to treat only 225 tons of ore a day against the pre-strike average of 600 tons. Grade treated will be higher but mine profits are likely to be lower despite this.

Exploration at depth at Teck-Hughes mine was unsuccessful in proving up the downward continuation of ore bodies. However, hanging wall structures on the upper levels have been disclosing a much larger tonnage of new ore than had been anticipated.

Of course, much of Teck-Hughes' income now takes the form of dividends from its Quebec subsidiary, Lamaque Gold Mines, and operations have not been affected by the strike there. It is a question nevertheless, whether or not Teck-Hughes will be able to maintain its present dividend rate of 40 cents a share per annum under present conditions. Regulations of the Foreign Exchange Control Board do not allow payment of dividends much more than net profits and even if the Teck-Hughes management should desire to continue dividends at the present level, this might not be possible if earnings drop below the 40-cents a share per annum rate.

Hollinger Consolidated Gold Mines has shown a remarkably steady rate of production over a period of many years and even the war has not so far brought any great change in the company's position. True, taxes are higher and operating costs are also up, but these have been offset, at least in part, by improved showings in other directions.

Second Inter-State Reports on Position

Second Inter-State Royalty Corp. reports that at Dec. 31, 1941, investments in oil royalties had a book value of $281,626. Gross revenue from royalty income since acquisition amounted to $57,634 to Nov. 30, 1941, and reserve for depletion $15,849 to the same date. During last November the corporation had a gross royalty income of $1,829, while accumulated royalty income for the year 1941 to the end of November amounted to $8,462.

More U. S. Publishers Abandon "Roto" Use

More American newspapers are abandoning the use of or changing from rotogravure to newsprint paper. Latest to join the list are the Chicago News, which is using a high-grade newsprint stock for its four page Saturday picture section, while the Hartford Courant has dropped its rotogravure section.

Blair Vice-President Montreal Tramways

From Our Own Correspondent

MONTREAL.—D. E. Blair, general manager of Montreal Tramways Co., has been appointed a vice-president. He will combine his duties of vice-president with those of general manager.

Malagash Salt Co. Pays Interest Coupon

Malagash Salt Co. has given notice to holders of its 6% income bonds, dated Aug. 1, 1927, that the interest coupon due on Feb. 1, 1933, will be paid upon presentation. According to the last notice the company had outstanding $429,200 of bonds.

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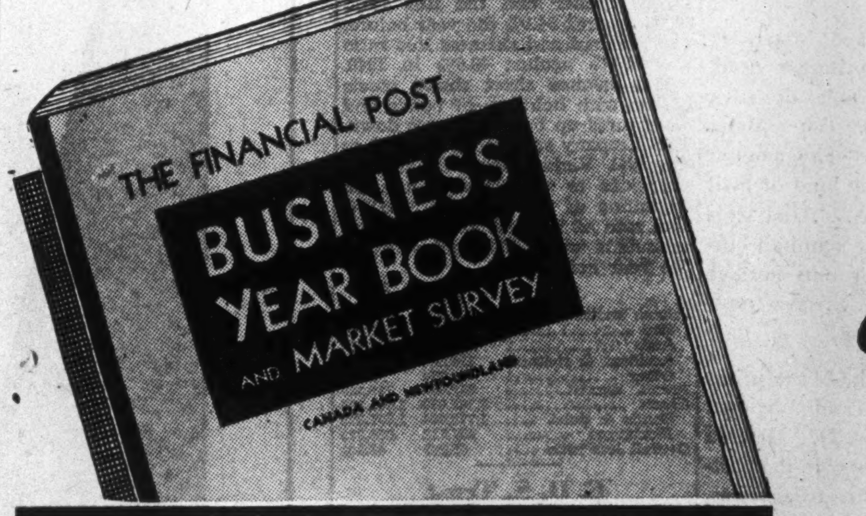

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Company Reports

Grey & Bruce Trust

Mortgage interest and principal payments have been very satisfactory during 1941, reflecting improved conditions throughout Grey and Bruce Counties, states the 1941 report of Grey & Bruce Trust & Savings Co., Owen Sound, Ont. Net profit amounted to 7.55% a share against 8.27% in 1940.

C. A. Fleming, president, states the Estates and Trust Department is becoming increasingly important in earnings and in its service to the public due to new Government regulations. Notwithstanding withdrawals for patriotic purposes, deposits and guaranteed investments with the company increased $204,000 to $3.3 millions, highest point in the company's history.

Profit and Loss Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	51,751	54,642
Less: Taxes	9,625	8,674
Depreciation	979	944
Net profit	41,147	45,024
Less: Dividends	27,235	27,235
Tfr. to reserve	13,912	17,789
Surplus on year	......	......
Earnings per Share	7.55%	8.27%
Paid	5.00%	5.00%

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Invest. certs.	1,949,058	1,890,684
Deposits	1,359,483	1,213,090
	3,308,541	3,102,774
Secured by:		
Liquid assets	2,375,358	2,103,245
Mortgages & int.	978,672	1,000,528
Other net assets*	619,700	619,700
	3,973,730	3,723,473
Estates and trusts	1,707,324	1,685,028

*Liquid and fixed assets in capital account, less current liabilities and all reserves except general reserves.

Northern Trusts

Some contraction occurred during 1941 in the guaranteed funds and estates, trust and agency funds of Northern Trusts Co., Winnipeg. The former account was down some $205,000 to $609,891 while the latter account was down almost $300,000. Statement of assets available for retiring or paying off the guaranteed investment certificates shows that on the basis of book value there is $2.82 for every $1 of liability to the public. This information received from the company clarifies an earlier coverage of the 1941 report.

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Guaranteed funds	609,891	814,392
Secured by:		
Liquid assets	3,141	2,493
Mortgages	606,749	811,899
Other net assets*	1,112,694	1,081,106
	1,722,584	1,895,498
Estates, etc.	14,490,408	14,782,622

*Liquid and other capital assets less current liabilities. Investment reserve of $305,908 in 1941 and $315,505 in 1940 not deducted.

Capital Trust

Increased taxation and reduction in the rate of interest on investments in Government bonds and mortgages caused a decline in 1941 profit of Capital Trust Corp., Ottawa, to 3.59% on paid-in capital against 5.32% in 1940.

Guaranteed trust account increased $72,000 despite substantial withdrawals for subscriptions by the company's clients to the Victory Loan and War Savings. Amount of real estate held for sale was cut by $82,000. In addition the company disposed of a large number of properties of which it was mortgagee in possession. Reflecting the receipt of a substantial number of new estates for administration during the year the estates, trusts and agencies account advanced $600,000 to $8.8 millions.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net earnings	41,264	48,557
Less: Taxes	8,000	......
W/o off furniture	1,470	1,426
Net profit	31,794	47,131
Less: Dividends	17,705	......
Surplus on year	14,089	47,131
Add: Prev. surplus	13,570	23,624
Less: Pension fund	2,000	5,000
W/o West. Govt. bds.	18,250	14,872
Tfr. conting. res.	2,316	15,000
W/o other assets	......	22,313
Surplus forward	5,092	13,570
Earns. on paid-in cap.	3.59%	5.32%
Paid	2.00%	......

Liabilities to Public
As at Dec. 31

	1941	1940
	$	$
Trust certs. & int.	3,482,398	3,454,322
Deposits	1,897,790	1,853,678
	5,380,188	5,308,000
Secured by:		
Liquid assets	2,122,961	1,925,671
Mtges. & int.	3,257,227	3,382,329
Other net assets*	1,050,448	1,058,748
	6,430,636	6,366,748
Estates, etc.	8,840,763	8,240,374

*All liquid and other capital account assets, less current liabilities, contingent reserve and pension fund.

Sovereign Life

Features of the annual report of the Sovereign Life Assurance Co. of Canada for 1941 are:

An 11% increase in new business written and revived.

The largest gain in business in force in 10 years.

Total cash income of $1.6 millions.

A rate of interest earned of 5.4%.

Total business issued and revived exclusive of immediate annuities amounted to $6.3 millions compared with $5.7 millions the year before. Business in force at Dec. 31 at $37.6 millions was more than $3 millions higher than at the end of the previous year and the largest gain in the last 10 years.

The company's total income in 1941 was $1.6 millions of which $1 million was insurance premiums and consideration for annuities. The balance was received from interest, rents and sundry sources. During the year $529,441 was paid out to living policyholders and beneficiaries while $96,988 on deposit was withdrawn.

Of the total assets of $8.6 millions, $3.6 millions is in bonds, debentures and debenture stocks. First mortgages amounted to $1.4 millions.

The rate of interest earned was 5.4% against 5.1% the year before. The increase was attributed to special conditions not likely to recur. New investments it was pointed out are being made at lower rates of interest.

	1941	1940
	$	$
New insurance issued	6,395,944	5,787,854
Insurance in force	37,693,123	34,586,968
Net prem. & annuity income	1,040,899	941,050
Int., divds. & rents	430,853	368,098
Total cash receipts	1,660,780	1,439,321
Policy & annuity pay.	529,441	606,016
Actuarial reserves	7,417,471	6,898,455
Total assets	8,644,043	8,020,219
Aver. rate of int. earn.	5.40%	5.12%

Maritime Life

The annual report of the Maritime Life Assurance Co. for the year ended Dec. 31, 1941, shows:

An increase in new insurance written.

Insurance in force at $19.3 millions.

Interest income up 10.7%.

Total assets 11.4% higher.

New insurance issued and revived during the year, including deferred annuities, was over $2 millions, a gain of $125,000 on the year, while insurance in force rose more than $1 million over the previous year.

Cash premium income amounted to $522,650 compared with $494,769 the previous year. Interest income was $152,588 against $137,306.

Total assets rose $11.4% to $3.3 millions. The rate of interest earned on the book value of the ledger assets was 4.70% compared with 4.89% in 1940. Of the total assets $2.9 millions are in bonds, debentures and stocks at book value.

Reserves held against the company's assurance and annuity contracts were up 11.3% to over $3 millions.

	1941	1940
	$	$
New insurance	2,099,214	1,974,050
Insurance in force	19,352,594	18,265,111
Total income	634,183	561,949
Premiums, etc.	522,656	494,769
Int., dividends	152,588	138,563
Policy payments	128,393	128,809
Total assets	3,690,227	3,311,586
Actuarial reserves	3,065,194	2,755,160
Aver. interest rate	4.70%	4.89%

Empire Life

Features of the annual report of the Empire Life Insurance Co. for 1941 are:

New insurance written up 30%.

Insurance in force at highest in history.

An increase in total income.

Gain of over $457,000 in assets.

New insurance paid for and revived during the year and including deferred annuities amounted to $5.3 millions compared with $4.2 millions the year before. This and a 20% decline in policies surrendered or lapsed compared with the previous year were factors in bringing insurance in force at Dec. 31, 1940 to the highest figures in the history of the company at $41 millions. At the annual meeting L. T. Boyd, general manager, stated total assurances in force with the company had considerably more than doubled in the past decade.

Assets at the close of the year were $10.5 millions. Of the total 64.3% is in bonds and debentures and 13.8% in mortgages and agreements for sale.

Total income was $1.6 million. The rate of interest earned on investments was 4.59% against 4.86% the year before.

	1941	1940
	$	$
New insurance	5,395,770	4,225,391
Ins. in force	41,042,588	38,682,622
Total income	1,603,835	1,555,643
Policy payments	722,968	747,009
Total assets	10,589,293	10,131,642
Policy reserves	9,616,511	9,196,409
P'holders' surplus	603,095	602,066

Economical Mutual

Highlights of the annual report of the Economical Mutual Fire Insurance Co. of Kitchener, Ont. for 1941 are:

An increase of $74,691 in premiums written.

A higher fire loss ratio.

A lower automobile loss ratio.

Total assets up almost $195,000

Total premium income of the company was over $1 million, of which more than half was derived from fire insurance. Earned premiums were $56,761 higher than in 1940.

Fire insurance premiums were $40,535 higher but fire losses also were up, the loss ratio of 50.1% comparing with 36.3% the year before. The increase was attributed to heavy bush fires in the north and one fire of conflagration proportions. The automobile experience was more favorable. Premiums were $22,000 higher and the loss ratio 39.2% against 54.1% the year before. The accident and sickness loss ratio was 42.6% against 49.6% in 1940.

The balance sheet shows assets higher with holdings of bonds and debentures up but mortgages down. The company subscribed $250,000 to the 1941 Victory loan. Total subscriptions to war bonds since the beginning of the war are $365,000. The rate of interest earned on investments was 4.22% against 4.07% the year before.

	1941	1940
	$	$
Prems. written	1,059,575	984,884
Fire	616,771	576,236
Auto	308,442	286,113
Accident & sickness	114,586	122,534
Other	19,776	......
Prems. earned	852,082	795,320
Assets	3,186,030	2,991,191
Bonds & debs.	1,773,404	1,577,828
Mortgages	907,733	938,335
Overall loss ratio	45.3%	43.9%

C. D. S. Trust

Consolidated Diversified Standard Securities in an interim statement reports net earnings in 1941 on the preferred stock of 77 cents a share, as against 81 cents a share the year before.

As at Dec. 31, 1941, subject to final audit, net asset value of the preferred stock was $16.73 a share as against $20.12 the previous year.

The company also reports net asset value of the preferred stock on Jan. 31, 1942, was $17.20 a share as against $19.02 on the same date in 1941.

Simpsons, Ltd.

Simpsons, Ltd., department store operators, reported net profits for the year ended Jan. 7, 1942, which have only been exceeded once (1930) since the present company was formed. On the class A shares, the 1941 net was equivalent to $2.46 a share compared with $1.64 for 1940. The company paid regular dividends of $6.50 a share on its 6½% preference stock, leaving arrears of $22.62½ a share at Nov. 1, 1941.

Working capital is up about $1 million over a year ago, chiefly accounted for by a rise of $3.6 millions in inventories, as indicated by balance sheet details given below.

Last year the company spent $960,895 on capital assets, according to C. L. Burton, president, largely accounted for by payments on completion of Mutual Street, Toronto property plans and Regina warehouse addition.

During the past year, the company sold an additional $1,030,000 of its series A, 4¼% bonds, and paid a serial maturity of $350,000 on Dec. 1 last. The result is that funded debt now outstanding amounts to $1,050,000 of 3½% serial bonds, due 1942-44, and $12.5 millions of 4¼% bonds due 1951.

Consol. Income and Surplus Account
Years Ended

	Jan. 7 1942	Jan. 8 1941
	$	$
Oper. profit*	4,297,793	3,932,813
Add: Invest. income	1,206	1,319
Net earnings	4,298,999	3,934,132
Less: Divds. R. Simpson, pref.	†11,103	13,890
Directors' fees	11,583	12,370
Emplys' sav'g fund	37,956	34,597
Pensions	47,000	47,000
Financing exp. w/o	176,578	172,671
Depreciation	993,325	944,096
Invent. depr. prov.	200,000	400,000
Bond interest	566,162	550,978
Inc. & E. P. taxes	1,228,000	831,000
Net profit	1,027,242	927,530
Less: Pref. dividends	731,250	843,750
Surplus for year	295,992	83,780
Add: Prev. surplus	2,217,202	2,133,422
Earned surplus fwd.	2,513,194	2,217,202
*After deduct. legal costs & executive salaries	319,492	320,029

†Total paid $201,000 of which Simpsons, Ltd., received $189,899.

Earned per Share:		
Simpsons, Ltd.: Pf.	$9.12	$8.24
Paid	6.50	7.50
Class A	2.46	1.64
None paid.		
Shares O/s.:		
Preference, $100 par	112,500	112,500
Class A, n.p.v.	120,000	120,000
Class B, n.p.v.	120,000	120,000

Working Capital

	$	$
Current assets	19,665,332	17,737,122
Current liabilities	9,770,134	8,857,770
Working capital	9,895,198	8,879,352

Balance Sheet Changes

	$	$
Cash	142,350	129,324
Accounts rec.	7,035,909	8,675,388
Inventories	12,047,422	8,439,483
Bank loans	2,370,987	1,235,837
Capital assets	28,277,530	27,316,635
Depreciation res.	8,332,099	7,400,269
Res. against future inventory deprec.	600,000	400,000

Municipal Finances

Ottawa direct relief expenditures in 1941 were $374,394, of which the city paid $123,060 and the government $251,334. In 1940 direct relief expenditures were $857,679 of which the city's share was $233,084 and the government's share $624,595. Taxable assessment in Ottawa for general purposes is $157.2 millions—up $2.1 millions over 1941. Increase is attributable to the large amount of commercial and private constructions completed during 1941. Largest single addition to the taxable assessment was result of the completion of the Lord Elgin Hotel.

* * *

Owen Sound net debt at Dec. 31, 1941, was $730,105 or $54 per capita against $806,038 a year ago or $58 per capita. Arrears of taxes at the end of 1941 were $73,873, a reduction of $12,105 from the previous year end.

* *

St. James, Man., 1942 assessment is $4,121,185 compared with $3,843,340 a year ago. Increase is accounted for by the addition of new buildings.

* * *

Grey County, Ont., net debt as at Dec. 31, 1941, was $58,712. County Treasurer J. C. Mercer states this debt will be entirely liquidated in about three years, leaving the county clear of all indebtedness.

* * *

Arthur, Ont., 1941 surplus at $2,150 was the largest surplus in the municipality's history, being $1,900 higher than in 1940. Debenture debt at $54,800 is down $3,700.

Rockcliffe Village, Ont., 1941 revenue was $110,869 compared with total expenditures of $110,315. Resulting surplus of $554 contrasted with the deficit of $483 in 1940. Tax rate in 1941 was 31 mills against 32.2 mills in 1940.

* * *

Simcoe County, Ont., set the county levy for 1942 at five mills on the equalized assessment of the county. This is an increase of one mill over 1941, the additional amount being levied for war purposes. Equalized assessment of the county is $59.5 millions.

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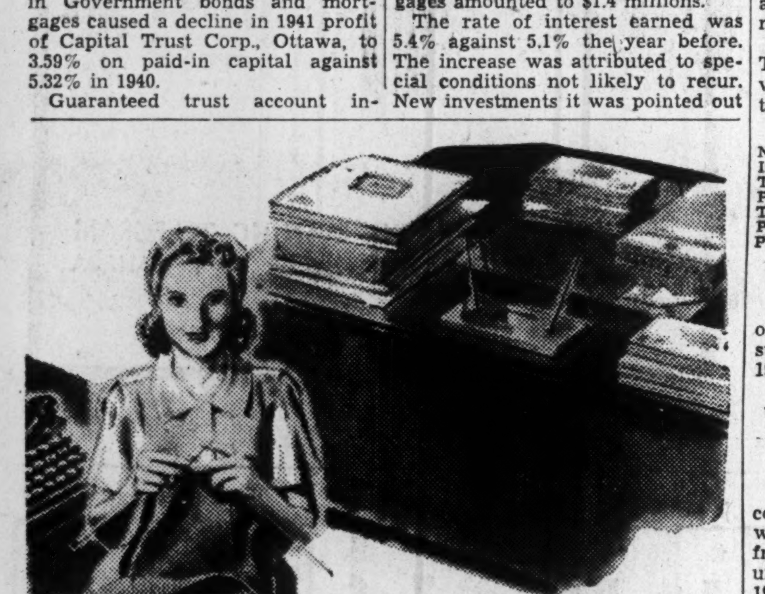
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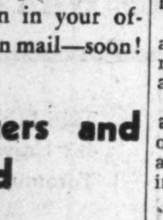

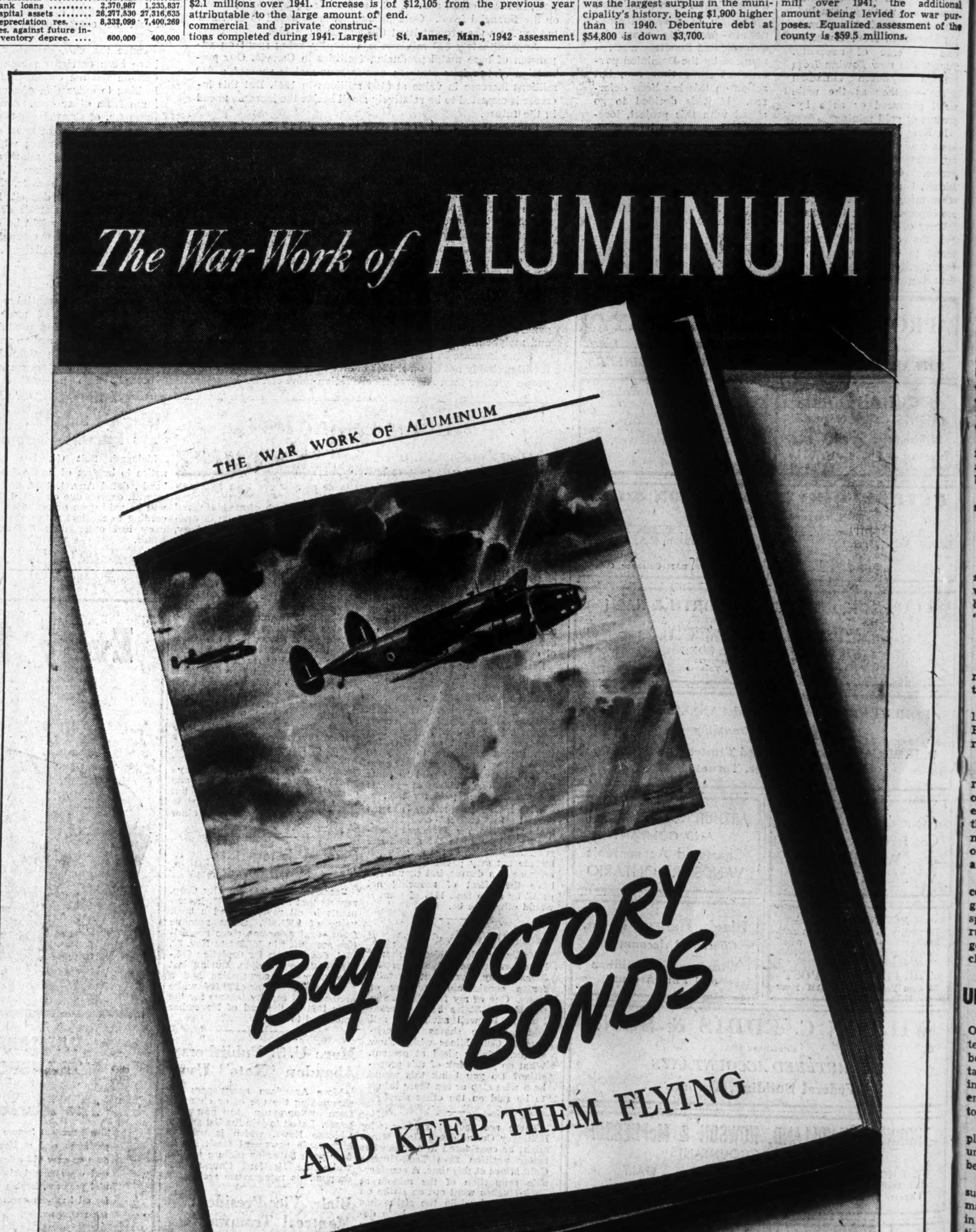

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